DOCUMENT RESUME

ED 379 487 CE 068 311

AUTHOR	Baret, Christophe; Bertrand, Olivier
TITLE	Training in the Retail Trade in France. Report for the FORCE Programme. First Edition.
INSTITUTION	European Centre for the Development of Vocational Training, Berlin (Germany).
REPORT NO	ISBN-92-826-8012-6
PUB DATE	94
NOTE	73p.; For reports on other countries, see ED 372 241-243, CE 068 309-314, and CE 068 318. Cover title varies.
AVAILABLE FROM	UNIPUB, 4661-F Assembly Drive, Lanham, MD 20706-4391 (Catalogue No. HX-56-94-344-EN-C: 8 European Currency Units).
PUB TYPE	Reports - Research/Technical (143)
EDRS PRICE	MF01/PC03 Plus Postage.
DESCRIPTORS	Case Studies; Corporate Education; *Distributive Education; Educational Improvement; Educational Needs; *Educational Trends; *Education Work Relationship; Employment Patterns; Foreign Countries; *Job Training; Labor Market; Merchandising; Personnel Management; Postsecondary Education; Private Sector; Recruitment; *Retailing; Sales Occupations; Secondary Education; Tables (Data); *Training Methods; Training Objectives; Trend Analysis
IDENTIFIERS	*France

ABSTRACT

An international team of researchers studied the following aspects of training in France's retail sector: structure and characteristics, institutional and social context, employment and labor, changing conditions and their implications for skill requirements, and training and recruitment. Data were collected from an analysis of social and labor/employment statistics, literature review, and case studies of six medium and large retail companies representing a mix of company structures and products lines and including a group of independent store owners and a subsidiary of a department store. At three companies, training was designed to improve the company's commercial position, customer service, and efficiency. A fourth company was using training as a policy tool to increase homogeneity between stores within the group. Trade unions and staff representatives were not involved in developing training objectives or methods. Most training was targeted toward managers and focused on work methods/procedures. Three companies had programs combining in-company practical training with preparation for a certificate guaranteeing some general training that was recognized by the Ministry of Education. Overall, the retail sector was spending a much smaller proportion of its payroll than the average on training; however, investment in training was increasing. (Thirty-one tables/figures are included.) (MN)

ED 379 487

FORCE
FORMATION CONTINUE EN EUROPE
European Commission

FRANCE
REPORT

RETAIL SECTOR

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RETAIL SECTOR

TRAINING IN THE RETAIL TRADE IN FRANCE

REPORT FOR THE FORCE PROGRAMME

drawn up by
Christophe Baret
Laboratoire d'économie et de sociologie du travail (LEST)
and
Olivier Bertrand
Centre d'études et de recherches sur les qualifications (CEREQ)

1992

First edition, Berlin 1994
Published by:
CEDEFOP – European Centre for the Development of Vocational Training,
Jean Monnet House, Bundesallee 22, D-10717 Berlin
Fax 49-30 + 88 41 22 22
Tel. 49-30 + 88 41 20 · Telex 18 41 63 eucen d
The Centre was established by Regulation (EEC) No 337/75
of the Council of the European Communities

Cataloguing data can be found at the end of this publication.

Luxembourg: Office for Official Publications of the European Communities, 1994

ISBN 92-826-8012-6

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Printed in Belgium

FORCE

Formation continue en Europe
Commission of the European Communities
TASK FORCE
Human Resources, Education, Training and Youth
Rue de la Loi, 200; B-1049 Bruxelles

THE IDEA FORCE

The future economic strength and the potential for social progress of the European Community depends on a consistent impovement in the competence and qualifications of its 132.000.000 labour force. Better continuing vocational training is one of the essential conditions for the success of the Single Market 1993.
The European Commission is determined to support and give fresh impetus to the efforts which companies throughout the Community are making to improve continuing training.
FORCE is the European Community's action programme for the development of continuing vocational training. It is focussed on companies, especially on small and medium-sized companies. It involves trainers and training bodies, employer and union representatives - everyone concerned with improving the competence of the labour force.

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These will include: supporting continuing training innovation through a European transnational network, an exchange programme, transnational and transfrontier pilot projects and projects concerned with the evolution of qualifications; assuring closer policy co-operation between Member States by evolving a common statistical means of analysing what is being done in terms of continuing training, through regular analysis of relevant contractual policy and collective agreements, and through enquiries into sectoral needs; supporting the establishment of regional consortia and transnational continuing training partnerships which specialise in transferring exemplary good practice to economically weak regions.

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You can take part in the FORCE network and apply for financial assistance to join its innovation and transfer exchanges and projects if you are:
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Through FORCE you can help improve continuing training in your company, sector or local labour market. At the same time you can help to contribute to the improvement and availability of continuing training – and thus to shaping the European Community.

CEDEFOP

European Centre for the Development of Vocational Training
Jean Monnet House, Bundesallee 22, D-10717 Berlin

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The members of the Management Board are appointed by the organizations they represent and remain in office for two years. The chairmanship of the Board changes each year.

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Consultation:
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ACKNOWLEDGEMENTS

This study was carried out in the framework of the European Retail Trade Sector Study, within the EC FORCE programme, and conducted by a central team made up mainly of member centres of "EURONET Work & Education", under the responsibility of the CIREM Foundation in Barcelona.

This report was prepared by Christoph Baret (LEST) who was responsible for the case studies and by Olivier Bertrand (CEREQ) who was responsible for the survey of the sector. It was carried out in the framework of the European Retail Trade Sector Study, under the EC FORCE Programme. It was conducted by a central team made up mainly of member centres of "EURONET Work and Education", under the responsibility of the CIREM Foundation in Barcelona.

The central team was composed of Olivier Bertrand (Cereq, Paris), Oriol Homs (CIREM, Barcelona), Wilfried Kruse (S.F.S. Dortmund), Marisa Mendez-Vigo (CIREM, Barcelona) and Harry van den Tillaart (ITS, Nijmegen), in close collaboration with Tina Bertzeletou from CEDEFOP, Berlin.

The project team would like to thank the companies who gave access for research, and whose staff provided the information and help which enabled us to write the case studies. We very much appreciate the time and effort which were invested so generously.

We would also like to thank the employers' organizations and trade unions, and their representatives, who contributed to the research by making suggestions for case studies, attending meetings and commenting on the draft report.

The following people and institutions have been consulted in respect of the selection of case studies and for discussion of the report.

- Mme Saint Léger
  FEDIMAS 37,
  avenue d'Iéna - 75008 Paris
- M. Forget
  Conseil National des Succursalistes de l'Habillement
  8, rue Montesquieu - 75001 Paris
- M. Salomon, Mme Dubar
  CFDT
  47, avenue Simon-Bolivar - 75950 Paris Cedex 19
- MM. Varnier and Ramat
  Fédération des employés et cadres
  Force Ouvrière
  28, rue des Petits Hôtels - 75010 Paris
- Mme Pinsac
  Direction du Commerce intérieur
  Ministère du Commerce
  207, rue de Bercy - 75012 Paris
- M. Feneyrou
  Direction de l'Artisanat
  24, rue de l'Université - 75007 Paris

Contact was also made with:

- M. Dardayrol
  Conseil National du Commerce
  53, avenue Montaigne - 75008 Paris
- Mme La Palud
  Insitut du Commerce et de la Consommation
  11, rue Royale - 75008 Paris

The proposed sample of companies was submitted to the main trade unions and employers' associations in the retail sector.

INTRODUCTION

This programme is aimed at developing continuing training in EC Member States, through an exchange of promotion of best practices and innovations. The sectoral studies are oriented more particularly toward, increasing understanding of the role of training in companies' plans, identification of best practices and individual experiences. These have to be placed in national contexts, which obviously differ.

This is why this report is made up of three parts:

- Part 1 is a survey of the retail sector and its evolution, based on existing statistical data and on available research. It gives an overall view of the structure and characteristics of retailing, of the institutional context and of labour and employment problems, before going on to address the training aspects;

- Part 2 deals with continuing training. It presents six case studies of companies and their training activities. They are based on interviews conducted for the FORCE programme by Christoph Baret, Laboratoire d'économie et de sociologie du travail (LEST) in Aix-en-Provence, a centre linked to CEREQ.

- Part 3 contains the conclusions from the previous two sections.

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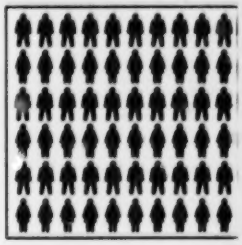
PART 1:

DESCRIPTION OF THE RETAIL SECTOR AND ITS DEVELOPMENT



1. Definition and limits of the sector
2. Structure and characteristics of retailing
3. The institutional and social context
4. Employment and work
5. Changing conditions and their implications for training and skill requirements
6. Training and recruitment

DESCRIPTION OF THE RETAIL SECTOR AND ITS DEVELOPMENT

1.

1. Definition and limits of the sector

According to the French classification of industries, retailing does not include: bakeries and patisseries (which are supposed to manufacture their own products and are therefore included in manufacturing industries), petrol stations, cafes or restaurants. This should be taken into account when interpreting statistical data.

2. Structure and characteristics of retailing

Historical development: the retail revolution:

The first department store (Le Bon Marché) opened in Paris as early as 1852. It was operated in accordance with some of the basic principles of modern merchandising (large scale organization, discount prices, open display of goods). Nevertheless, the organization of the retail industry in France was extremely conservative until approximately 1960. This situation can be explained in part by the French context: stable population until the Post-war baby-boom, slow progress in urbanization, social and political conditions. Chain stores and department stores were late in adapting strategies and methods to the new socio-economic needs.

In this context, the field was clear for new entrepreneurs. Independent companies took the lead. In the1960s, they initiated a "Retail Revolution" similar to the one which had taken place in the US around World War II. The new strategy, based on the development of increasingly large super- and hypermarkets, located in suburban areas and selling at discount prices, was soon adopted also by chain stores, department stores and wholesalers too. In order to survive, they had to adopt the new ways or create competitive subsidiaries. The whole country is now covered by a dense network of modern shops, and many traditional shops were forced to close down.

Whether they belong to independent companies (Carrefour, Auchan), to associated groups (Leclerc, Intermarché), to chain stores (Casino) or to wholesalers who have extended their business into the retail industry (Promodes/ Continent),supermarkets and hypermarkets, selling food and non-food at discount prices and usually located in suburban areas, play a dominant role today. After slowing down around 1973, when the Royer Act[1] attempted to limit their progress, their growth rate has accelerated and their share of the market is constantly growing, especially for *hypermarkets*.

The success of this type of company is based on very strict conditions regarding minimum area, turnover, average purchase value per customer and market ratios. Hypermarkets, more than others, have expanded their business into the non-food area, where they accounted for 12% in 1990 of the total activity of the sector, instead of 7,5% in 1983. Large groups have managed to maximize the volume of transactions in order to obtain better conditions from suppliers. They have created large purchasing centres to increase their bargaining power. It can be said that today the retail sector is in a dominant position vis-à-vis producers.

Supermarkets are between hypermarkets and small shops. Their progress was not limited by legal restrictions; it was essentially achieved by associated independent retailers (Leclerc, Intermarché). Margins and operating costs are higher, but their levels of profitability are comparable, since they have the advantage of being in the vicinity.

A recent trend has been the increase in large discount self-service shops in the *non-food sector*. It concerns primarily furniture (Conforama, Habitat, Ikea), electronics (Darty) and do-it-yourself, whilst large retail and chain stores are also developing in clothing (C & A, Marks & Spencer). Part of the capital of several non-food companies belongs to independent hypermarket companies or supermarkets. They are seeking opportunities to expand their activities outside the food area on the basis of their own experience since non-food in large hypermarkets now accounts for nearly half of sales. All this would seem to indicate that the dividing line between food and non-food business is less clear-cut in France than in other countries (e.g. USA or UK).

The number of *small-scale general food shops* has fallen rapidly: Three-quarters of them have a sales area below 60 sq. m. and are in direct competition with nearby supermarkets. Some of them have resisted well, thanks to a policy based on quality, fresh-products, longer opening hours (including Sunday mornings). This has enabled them to survive in specialized fields (fruit and vegetables, wine and beverages, confectionery, dairy products, fish).

Various forms of retailing, definitions and basic data

- "Supermarché" *Supermarket*: Self-service shop selling at least two-thirds of its turnover in food on a sales area between 400 and 2,500 sq. m. Often in suburban areas.
  Number of stores: 6,400 *January 1990*. Average size: 950 sq. m.
- "Hypermarché" *Hypermarket*: Self-service shop selling more than one third of its turnover in food on a sales area of more than 2,500 sq. m. Always in suburban areas.
  Number of stores: 778 *January 1990*. Average size: 5,527 sq. m.
- "Magasin populaire" *General store*: Non-specialized shop selling a range of goods limited to current needs with a self-service food department. Usually in city centres.
  Number of stores: 621.
- "Grands magasins" *Department store*: Number of stores: 212 *1986*.
- "Petit commerce" *Small shops*: below the supermarket size.

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[1] According to this Act, which is still valid today, the opening of new supermarkets with a sales area of 999 sq.m. or the extension of an existing store are subject to the approval of a committee of local representatives.

1.

Non-food small shops managed to resist in a similar way, through specialization and personal service. One of the ways of maintaining their traditional position was their concentration in *shopping centres*. But the main development has been the increase in the various forms of association. Cooperatives were the oldest form of general food association, but they were badly affected by the new competition. They lost a share of the market and several companies had to close down.

Two other forms of association have expanded rapidly. *Franchising* was introduced in France before the War, and rapidly increased to represent approximately 5 to 6% of the total retailing business. There is a total of 33,000 franchised establishments, covering all sectors, which is said to be the highest figure in Europe. In retailing, it is not limited to small-scale shops, as it has been adopted also by supermarkets. Other and more informal types of association have been extremely successful: groups of associated independent companies (Intermarché, Leclerc) are now among the market leaders in the predominantly food business, representing, in 1990, nearly 30% of the general food market. They are mostly composed of supermarkets and small hypermarkets. According to the association's charter, the private owner of a supermarket, or anyone wishing to buy a store through the association, may benefit from the financial support of the other associates (mainly in the form of bank loan guarantees) and from the commercial, buying and logistic structure of the association. In return, the private owner must pay a fixed part of his global turnover to the association and devote one third of his working time to the group organization (purchasing activities, training new associates, financial evaluation of stores, group advertising, etc.).

Department stores and *general stores* have been severely affected by competition from these new forms of business. Their share of the market is constantly falling and their profit levels are low. They have been fighting this by concentration, modernization, introducing new technologies, and specialization.

Mail order companies have been progressing slowly, but their share of the overall market is only 1.3%.

These events have led to a reduction in the number of retail trade businesses which has continued during the last few years:

Number of companies 31.12.1989

	1987	1991
Food sector	130,800	118,000
Non-food sector	275,700	270,300
• By product		
Food *specialized*		87,042
Food *general*		32,903
Non-food *general*		1,898
Textile, leather		94,944
Household equipment & furniture		52,507
Pharmacies		22,223
Culture, leisure, health		47,891
Misc., specialized		51,817
• By number of employees		
1 or 2 employees		260,247
3 to 9		113,187
10 to 49		15,066
50 to 199		1,271
200 and more		294

• By sales (before taxation – FF million)

C.A.	No. of companies	% of total sales
500 +	128	31.0
125–500	534	8.9
10–125	10,027	22.7
1–10	143,942	30.0
below 1	236,594	7.5

Source: Enquête annuelle d'entreprise, INSEE, 1989

In addition to these structural differences, there are substantial differences in management styles and company philosophies. At the time of launch, most hypermarket companies adopted a policy of decentralization, leaving a large degree of autonomy to store managers, and to section heads. Management in other retail companies is usually much more centralized and conservative.

3. The institutional and social context

Limitation of working hours

Retailing is less regulated than other industries. However, the creation of large stores is subject to the approval of local authorities and trading hours are strictly controlled. (Royer Act 1973).

The Act of 1919 stipulated that the normal working day for employees should be 8 hours. An ordinance passed in 1982 reduced the working week to 39 hours. The labour law also prohibits the employment of a worker for more than 6 consecutive days; the rest day should normally be Sunday (self-employed workers are always free to work).

Special approval may however be obtained from local authorities to open the stores on Sundays. There is an on-going debate on this issue and local situations differ: there are cases of large stores (do-it-yourself, furniture) open on Sundays, but they are still exceptions. Large stores are normally open from approx. 7 a.m. to approx. 7 p.m. (department stores) and from 9 a.m. to between 8 p.m. and 10 p.m. (hypermarkets).

Organization of the industry

The organization of the industry varies depending on the type of products.

In the *non-food sector*, there are approximately 50 different employer organizations, highly specialized by type of product (shoes, jewellery, books, etc.). In food retailing, there is a trend towards a concentration of *employers' associations*. Initially, they were divided between chain stores, large independent hypermarkets and stores originating from the wholesale business. In 1989, they were combined into one large organization, FEDIMAS, which represents companies employing 125,000 people. Another association, the "Groupement national des hypermarchés" (GNH) groups the larger

hypermarket companies, employing 100,000 persons. They coordinate their activities and share a number of concerns, particularly in the social area. It should be added that only 10% of the associated independent companies are members of FEDIMAS.
As in other industries, there are five major *workers' unions*: FDT, CGT, FO, CFTC and CGC. Except for the latter, which concerns only managerial and supervisory staff, they differ mainly on ideological grounds. There are no statistics regarding levels of union membership, which is low. According to some estimates it is probably around 7 to 8%.
In the food retail business, a collective bargaining agreement was signed in 1969 which came into force in 1973. It stipulates employment conditions and classifications for the various groups of employees. It provides a framework for the definition of working hours, the role of part-time work, remuneration and training. It does not define conditions of access to occupations, except for food processing workers, who are supposed to hold a vocational certificate "or the equivalent skill acquired through work experience".
At national level, a committee with employer and employee representatives discusses the revision and implementation of the collective bargaining agreement. At company level, a staff committee is usually consulted on orientation and plans in the field of training.
Several hypermarket companies have entered into specific agreements with their unions, which give additional guarantees to the workers, e.g. to limit the use of part-time work and of fixed-term contracts (see below). In other words, employers' policies are not always homogeneous.

Training provisions
These take in both the continuing training of adult workers on the one hand and the transition from school to employment on the other.

- The Act of 16 July 1971, which is the foundation stone of the continuing vocational training system, followed the preliminary conclusion of collective agreements between unions and employers. Similarly the Act of February 1984 which followed the inter-sectoral agreement of 1983 was principally responsible for the introduction of alternance training and various national incentives.
  This link between legislation and sectoral agreements was the response to a desire to encourage rather than regulate, and thus to ensure closer links between general norms and the actions of different partners. Thus, every company with more than ten salaried employees is required to allocate a proportion of its payroll to training expenditure. From an initial 0.8 %, this statutory requirement has been progressively increased to the current 1.4 percent in effect since 1992, (0.15% for companies with less than 10 employees). However, the obligation is to spend money on training and is not on training itself. Thus, a company can meet its statutory obligation by paying its funds directly to the Public Revenue Office or, as is often the case among the SMEs, to mutual funds established on a sectoral and/or regional basis (ASFO). In the extreme, a company can make the necessary expenditure without training a single employee.
  The statutory obligation generated a vast and ever-expanding market for continuing training. As a result, new institutions had to be created to regulate this market and, in particular, to ensure better coordination of what companies need and what they are offering.

This situation gave rise to two types of organizations specifically oriented toward the SMEs:

- The Training Insurance Funds (Fonds d'Assurance Formation – FAF) are jointly administered by employers and trade unions. In certain sectors companies covered by the collective agreement are obliged to be members and to contribute a proportion of the legally stipulated resources to the fund.
- The training associations (Associations de Formation – ASFO) were created by employers in the sector. They wanted to retain direct control over the formulation of continuing training policies. Since 1984 their board (which plays a technical rather than a decision-making role) has been run on a joint basis.

Like mutual funds, these bodies are able to provide funding to companies at higher levels than the company itself would be able to provide in the short-term. These institutions also aim to make SME management more aware of the usefulness of continuing training and to help adapt the content of the training activities to the specific organizational needs of the SMEs.
The development of this network of intermediate institutions must be stressed, not only because of the large sums of money they collect but, more importantly, because they represent one of the rare cases in France where the social partners play a significant role between the formal requirements of the State and the private initiatives of the companies.
In 1984, a new procedure was set up: *"les engagements de développement de la formation"* (EDDF). These are contractual agreements, signed between a company and the public authorities (at national or regional level). The company undertakes to increase its training effort and to bring objectives into line with national policies.
Public authorities agree to contribute to the additional training activities (between 10 and 70%). Priority is given to small and medium-sized enterprises. (Table 1)

- Other measures have been taken in the 1980s to facilitate the employment of young people through upgrading their skills and reducing the cost of their labour. They are:

  the qualification contract, available for unskilled young people between 16 and 25 years. It is a contract with the employer providing for a work experience for a period of 6 months to 2 years with alternance training for at least 25% of the time. The trainee receives between 17% to 75% of the minimum wage. The ultimate result should be a recognized qualification;

1.

Table 1 – Main steps in the act on continuing vocational training

In France continuing vocational training is an economic and social reality. Rooted in a long tradition, it is placed within a juridicial framework that is both contractual, statutory and regulatory.
Employers and unions established the foundations of the present system with the national inter-sectoral agreements signed between the employers' associations (CNPF and CGPME) and the unions (CFDT, CFTC, CGT, CGT-FO) on 9 July 1970 and its amendment for engineers and managers signed on 30 April 1971.
This was followed by the Act of 16 July 1971, which set up the "continuing vocational training" system. This initial act "on the organization of continuing vocational training in the framework of lifelong education" takes in all measures developed in the years before.

The national inter-sectoral agreement of 9 July 1970 on initial and further vocational training provides for:
- *measures concerning vocational training for young workers and apprentices;*
- *the right of employees facing collective dismissal to obtain training at the employer's expense;*
- *the authorization for all employees to be absent during working hours in order to attend training of their choice.*

The Act of July 1971 *"on the organization of vocational training in the framework of lifelong education", extends certain measures of the 1970 agreement but also introduces new ones:*
- *the right of all salaried workers to training leave;*
- *the obligation of all employers to participate in the financing of continuing vocational training;*
- *the role of staff representatives in training;*
- *the reorganization of State aid for the remuneration of trainees;*
- *specific measures for categories or workers other than salaried employees*

The appendix of 26 October 1983 to the 1970 agreement on alternance training, *which was signed by all the employers and union groups (except the CGT). It envisages three kinds of in-company training for young people.*
The Act of 24 February 1984, *institutes wide-ranging reforms of Title IX of the Labour Code based on the guiding principles of the Act of 16 July 1971. The main innovations concern:*

- *the modification of the mode of funding individual training leave and its extension to workers in companies with less than ten employees*
- *the introduction of "contractual commitments to training development"*
- *the introduction of measures for young people (18-25 years old) based on the principle of alternance training.*

The Act of 4 July 1990, relating to the individual training credit and to the quality and monitoring of continuing vocational training. It establishes the individual's right to develop occupational skills, clarifies relationships between training organizations and trainees and establishes a procedure for state recognition of training programmes in order to monitor their quality.

The Act of 31 December 1991, *has extended the contribution to funding to small companies, increased the rate of this contribution and introduced the principle of co-investment for training activities of more than 300 hours leading to a formal qualification: 25% of the training time can take place outside working hours without additional pay.*

the adaptation contract is intended for young people in the same age group, but with an initial qualification. It aims to facilitate their access to the labour market;

the individual training credit aimed at organizing a training period of up to 2 years for unskilled young people, through existing programmes such as the above.

4. Employment and work

Slow growth of employment

Total employment in retailing at the end of 1989 amounted to 1,672,000, 7.7 % of the total working population. If bakeries and patisseries are included, it amounts to 1.86 million or 8.5%.
Overall employment was stable in the late 1970s and early 1980s and has been growing slowly since.

These broad trends conceal important shifts:
- from self-employed workers to wage-earners, who now represent more than 70% of the total;
- from the non-food to the food sector. This apparently paradoxical situation may be explained by the growing share of the trade taken by hypermarkets, which sell a large proportion of non-food items;
- from small traditional shops to large modern companies.

Employment in retailing *(in thousands)*

Employees	1978	1980	1985	1988
food	436	448	500	523
Non-food	634	629	613	642
Self-employed				
Food	199	197	165	165
Non-food	318	310	305	316
Total	1,587	1,584	1,647	1,647

Source: INSEE (in CEREQ, 1989)

Breakdown of employment by occupation

Among stores employing at least 10 workers, the occupational structure is as follows:

	Food	Non-food
Proprietors	0.7	0.9
Managers	4.6	8.4
Supervisors, technicians	9.6	18.6
Junior staff and sales staff	69.2	51.1
Skilled workers	12.7	12.4
Unskilled workers	3.3	8.6

Source: INSEE: Enquête structure des emplois, 1988

In the self-service food retailing, the distribution is estimated as follows (CEREQ 1990):

Management	5
Supervisors, techicians	10
Sales personnel	8
Food processing workers	7
Shelving staff	24
Check-out operators	26
Others	20

Source: INSEE

In the same sector, a major problem was the low proportion of intermediate jobs between the lower skilled jobs of shelving staff and check-out operators on the one hand and supervisory staff on the other: this means that opportunities for career advancement are limited. Section heads occupy a strategic position in terms of their important role in the management of the store (especially in large hypermarkets) and are a necessary step before promotion to management jobs.

The majority of hypermarket companies have altered their recruitment policy for junior staff and supervisors in recent years. On the one hand, in order to minimize wage costs, the companies recruit candidates with the lowest level of qualifications for clerical and service jobs. Often, they only offer them part-time contracts. On the other hand, they recruit young graduates (Bac +2[2] or Bac +4[3]) as section heads and they focus their efforts for continuing training on this group. As a result of this management policy, the strong tradition of internal promotion which has always existed in this sector is disappearing and the companies are beginning to realize that their policy has a negative effect: the level of qualification of the majority of employees is low, whilst it is difficult to attract and retain young graduates. In these conditions continuing training for all levels of staff can play an important role.

Department stores, specialized and small shops employ a greater proportion of sales assistants, whose skill level may be higher, especially for the sale of technical goods. The polarization of skills and the lack of career opportunities are therefore less acute.

High proportion of young, female and part-time employees

The labour force employed in retailing is characterized by the following features:

	Food	Non-food	All sectors
% female staff	54	61	42
% staff aged 15-24	21	14	10.5
% part-time staff	17.7	16.4	12
% foreign staff	5	4	6

Enquête sur l'emploi de 1989, INSEE

- high proportion of female workers. Data collected at the enterprise level show, however, that only a small proportion of women have access to managerial positions. One of the explanations for this situation is that mobility is considered as a necessary condition for promotion and women are assumed to be less mobile because of family constraints:

- high percentage of part-time jobs, as indicated below:

Percentage of part-time workers among wage-earners

	1984	1986	1988	1989
Hypermarkets	24.3	25.1	28.7	32.2
Supermarkets	15.1	18.7	22.5	23.2
Specialized food	33.2	33.9	34.3	32.5
Total retail	26.0	26.5	27.9	28.2

INSEE: Les comptes du commerce en 1990

A relationship between this rather high ratio of part-time workers and the large proportion of female workers could be construed. In fact wide fluctuations in trade, depending on the days and hours, are the main factor. Most companies, particularly hypermarkets, see the adjustment of their work force in line with this factor as the main way of containing costs. This leads to the development of part-time work without any allowance being made for employees' preferences, but they accept it for lack of any alternative. Only one company has attempted to organize the work in such a way as to provide essentially full-time jobs.

- The youth of the work force is related to the high degree of mobility: for many young people, retailing is their first job, but they do not stay in this sector. Low remuneration, long working hours and the poor image of the industry are the reason for this situation.

[2] Bac + 2 – Secondary school leaving certificate plus two years' further studies

[3] Bac + 4 – Secondary school-leaving certificate plus four years' further studies

1.

- Another related characteristic is the high (and growing) proportion of fixed-term contracts. This reflects the seasonal character of the industry (additional labour is recruited for specific periods, e.g. Christmas). But it is also the result of some employers' attempts to increase flexibility and extend the initial trial period for new staff.

- A specific feature of retailing is the substantial number of people employed by outside companies (mostly suppliers) who work in the stores on a seasonal or permanent basis. In supermarkets, they are responsible for restocking the shelves. In department stores, they sell the suppliers' products (perfumes, electronics, etc.).

- The level of remuneration is known to be low, but the latest data available are for 1987. The data are as follows (net salaries, full-time staff in FF thousands):

	Food	Non-food	All industries
Proprietors and managers	183.8	168.6	207.5
Technicians and supervisory staff	97.2	102.3	114.0
Clerical and sales	58.0	64.1	73.3
All categories	69.9	80.6	93.0

Source: Annuaire statistique de la France

These characteristics are common to the whole industry although there are rather wide variations between type of company, strategies and establishments. They obviously have strong repercussions on training policies and practices.

5. Changing conditions and their implications for training and skill requirements

Retailing is affected by economic, technological and organizational changes which have indirect implications on training:

- From the *economic* point of view, the most important factor is the *increasing competition*. First of all, it takes place between national companies and implies a further decline in the market share of small traditional shops. A stage has now been reached where the prospects for the further creation of new large stores are limited. Competition will, therefore, shift from a quantitative to a more qualitative level. It has already led to a further concentration of supermarket and hypermarket businesses.
  With a view to preparing themselves for the Single European Market, companies have also initiated merger operations at international level. Another form of internationalization is the direct expansion of business into neighbouring countries. French hypermarket companies have opened stores in Spain, Portugal and Italy, while German discount companies have set up shop in France.
  Increased competition means, first of all, demands for more sophisticated marketing, more efficient management, higher quality of goods and better customer service.
  In the French context, it may also lead to a restructuring of the sector: the dominant role of large, multi-purpose hypermarkets may be replaced by more specialization by product and a further segmentation of the market in terms of clientele. In this case, some companies would give more priority to quality and service and would therefore require a more skilled labour force.
  This trend towards more diversification and more segmentation of the market would mean that French retailing would follow the example of the most advanced industrialized countries such as the US. This view is, however, challenged by those who stress the dominant role played by associated independent retailers who adhere to a discount strategy and to the initial success achieved by German discount companies. In this context, it is questionable whether hyper- and supermarkets will risk increasing their prices to achieve improved quality and service. Financial constraints may make it difficult for some companies to develop a differentiation strategy based on quality. In fact, the companies which have already attempted this kind of differentiation are now facing financial difficulties. This is mainly because they were unable to increase the quality level of their goods and services as quickly as their prices, which led to a sharp drop in their market share.

- *New information technologies*
  They can be classified in four categories:

- *Technology essentially affecting internal management*
  Electronic cash registers (or point of sale terminals) are now quite common, at least in large shops. Cash registers are, increasingly, equipped with scanners which read bar codes printed on each item. Scanning may affect productivity at the cash point, but views differ as to its impact. With the use of increasingly sophisticated software, point of sale terminals and scanning make it possible to considerably improve management methods in different areas: inventory control, marketing and purchasing.
  The next stage – which is still only experimental in France – would be post-distribution whereby, instead of using global forecasts of purchasing requirements for each shop, supplies are based on the actual needs observed in real time through each point of sale. Substantial savings in inventories might result from this method, but it may have negative effects on the motivation of personnel who are no longer responsible for ordering.
  Another development affecting points of sale is the use of cheque cards and retail companies' own credit cards. In future, most of these cards will include a memory and will be multi-purpose. The use of cheque cards facilitates the analysis of market segments and therefore contributes to improved marketing.

- *Technology linking the company and the supplier*
  Considerable progress has been achieved recently

in the establishment of standards which make it possible for suppliers and retailers to exchange information on line. Members of the GENCOD standardization system are now able to exchange orders, invoices and data without any paper. This development should, again, contribute to reducing stocks, to the regular supply of products and to a reduction in administrative costs.

• *Customer relations*
A whole range of new developments are currently being experimented with or planned. Minitel is now widely used by customers of mail order companies and is also used for tele-marketing which has recently started in France.

• *Warehouses*
Here too, management computerization and automation have been introduced. Computerization (allocation of space, guidance of fork lift trucks and production of various receipts and sheets) is advancing at various speeds. However, automation is limited by the diversity and heterogeneity of products.

• *Organizational changes* take place on different levels. They are particularly important in respect of logistics (transportation, flow and warehouse management) which should be oriented towards just in-time delivery. Changes in work organization are somewhat more limited than in other sectors. New forms of organization are being tried out, they aim to solve the problems caused by part-time work and by the lack of career opportunities. Autonomous groups have been established, whereby check-out operators plan their own time schedule themselves. Multi-purpose jobs (between the departments and the check-out) have been introduced and intermediate jobs are being developed.
As a whole, there is a trend towards a slight improvement in skills and the quality of customer care. But this is not likely to bring about a complete transformation in job structure, as can be observed in some processing industries. Low-skilled labour will still be required for handling goods and for check-outs.

6. Training and recruitment

Some understanding of the training system is required to analyze the level of education of the work force, the recruitment practices and the role of continuing training.

6.1 The initial training system

The training system in France is essentially school-based and the State plays an important role. The overall structure of the system is as follows:

- After first level secondary school, the traditional form of training for skilled workers was the CAP[4] preparing for specific occupations. It is issued on completion of two years of full-time schooling or apprenticeship. The latter mainly involves traditional occupations and small companies but professional associations would like to inject new life into it. A recent reform introduced a common CAP (sales) which prepares students for all types of sales jobs, with an opportunity to specialize in fresh goods.

- At the same level, the BEP[5] is more broad-based and its curriculum includes an introduction to management problems. The BEP[6] commercial activities is intended for salespersons who are likely to be promoted to supervisory jobs. Training is usually undertaken at school and, like the CAP, was originally designed as final training. In many cases, students prepare to sit the BEP and CAP at the same time or one after the other.

- Recently, however, the need for more skilled workers has led to the creation of a new, 2-year training course following on from the BEP. This is the Baccalaureat professionnel (vocational school-leaving certificate) and it is innovative in that it requires four months practical experience in a company during the two-year curriculum. One of the new professional bacs covers commerce and services. It provides training for skilled employees in large modern companies, who are expected to reach supervisory positions. However, it is also seen as basic training for those who may subsequently wish to become self-employed.

- At Baccalaureat level, there is a technical stream (G3) which combines general education and basic training in general commercial skills (not only sales).

- After the Baccalaureat there are two streams of advanced technical training:

  - one in grammar schools emphasizing basic techniques for all commercial tasks, the BTS commerce[7], still also providing general education;
  - the other in technical universities, Diplôme universitaire de technologie, Techniques de commercialisation (university technology diploma, marketing techniques), and offers broader-based training.
    Both courses are intended for young people who are aiming for supervisory or technician jobs. In addition to grammar schools, a number of private schools also offer courses leading to the BTS.

[4] CAP – Certificat d'aptitude professionnelle (certificate of vocational aptitude)

[5] BEP – Brevet d'études professionnelles (diploma of occupational studies)

[6] BEP – Vente action marchande (commercial activities)

[7] BTS – Brevet de technicien supérieur (advanced technician's diploma)
– Brevet de technicien supérieur "action commerciale" (advanced technician's diploma – commerce)

A recent development is the possibility of preparing all advanced technical diplomas through apprenticeship. The strategy is to develop closer cooperation between schools and industry.

All these schemes include general instruction and are not related to specific jobs. The emphasis is on broad understanding of the work situation rather than on specific products or know-how. The underlying principle is that young people should be trained for a variety of jobs and career growth. The school cannot prepare them for specific work situations. This may explain why more specialized training is provided by private schools and companies.

Private schools, some of them run by Chambers of Commerce, include advanced business schools preparing for a variety of management positions. There are also a few specialized schools and specialized courses preparing specifically for retail occupations, especially for section heads. Some large companies, particularly hypermarkets, provide additional training for young recruits in order to prepare them for these jobs.

Finally, there is a range of training schemes (mainly run by the Chamber of Commerce) for self-employed businessmen (see below).

6.2 Educational level and recruitment practices

Low educational level

According to the 1982 census, the level of education was particularly low in the retail industry: 49% of the work force in the non-food business and 59% in the food business had only completed compulsory education and had no qualification whatsoever; in the sector as a whole, 23% had the CAP or BEP, 14% their baccalaureat or a higher level. More recent surveys suggest that the level of education is rising but no more than in other sectors, so that it remains below the average (CEREQ, 1990).

Limited interest in specific training

Interviews with a range of companies indicate that when recruiting junior and sales staff, employers are more interested in the personal characteristics of the candidates than in the specific training they have received (CEREQ 1990). The commercial certificates mentioned above are viewed in connection with the general level of education rather than the specific skills they are supposed to impart. The level of education is seen by employers as one way of selecting people with a potential for future promotion. Education is expected to develop a capacity for expression, problem-solving and a broader understanding of management.

Recent changes in recruitment practices

The majority of supervisors have been promoted from sales or junior positions. Selection was based on personality, with little consideration for school qualifications. As management is becoming increasingly complex, employers are now more demanding in this respect. They would like to recruit young people with the BTS, DUT* or 2 years of higher education. It is on this level that the additional training programmes described above are provided in some of the large companies. However, they find it difficult to keep the trainees who are reluctant to accept long working hours and Saturday work.

Managers are normally recruited from business and management school graduates, but it is even more difficult to attract them as they are in high demand in other sectors.

6.3 Continuing training

Continuing training is mainly the responsibility of the companies. However, it may also be provided by different agencies for people seeking employment, or self-employed people wanting to start a new business or to improve their skills.

Chambers of Commerce play a major role in training for the self-employed. They offer a variety of programmes:

- Short-term courses (40 hours) include basic information on management and data processing. They are attended by approximately 10,000 shopkeepers every year, half of them starting a new business. But attendance is falling.

- Longer training sessions (260 hours) are available to shopkeepers with at least two years' experience. This is a modular programme which includes courses on basic techniques and the preparation of a business project. This course is costly and is attended by approx. 350 people per year.

- Chambers of Commerce are also responsible for institutes for sales promotion which run specific courses for different kinds of commerce. These are open to job seekers and to people on training leave. They last 1,200 hours and are attended by nearly 4,000 trainees a year.

There is therefore a broad spectrum of training opportunities for self-employed retailers. However, there is little interest in these courses: many people do not see the need for training or feel that they do not have sufficient time to spare. New legislation extending the funding commitment to smaller companies and the availability of funds run on a mutual basis may, however, provide new opportunities. Experiments in self-training are underway and European programmes, in the framework of Euroform, have been initiated.

Information on continuing training is taken from the statements which employers are obliged to submit in respect of the statutory requirement to earmark at least 1.2% of the payroll for this activity.

The most significant data is shown in the following table.

* DUT - Diplôme universitaire de technologie (university diploma of technology)

Continuing training in 1989[9]

	Food	Non-food	All sectors
1. Percentage of payroll spent on training: companies with			
10-19 workers	1.15	1.24	1.31
50-499 workers	1.48	1.65	2.02
2,000 + workers	2.33	2.79	4.67
all companies 10 +	1.88	1.89	2.89
2. Average expenditure per employee	1,560 F	1,773 F	3,523
3. Average duration of training per trainee	27 h	28 h	48 h
4. Training per employee	7.22	7.0	14.4
5. Percentage of workers			
Trained	26.9	24.7	30.0
Men	24.0	24.3	28.3
Women	19.6	17.9	23.5
Unskilled	10.2	3.0	12.5
Skilled	10.5	11.5	22.1
Junior staff	25.3	23.7	27.2
Supervisors	41.5	50.0	50.7
Management	55.9	39.0	46.9

Source: CEREQ.

The data show that:

- The level of continuing training in retailing is significantly lower than the average for the economy as a whole. This may be due to the fact that the large majority of jobs in retailing are unskilled or semi-skilled and that very little training is considered necessary for these jobs. It is also related to the size of companies, which is smaller in retailing and to the human resources practices outlined above (mobility).

- The training level is close to the statutory minimum in small companies, but is much higher in large companies;

- The proportion of workers undergoing training is lower among women than among men. This is related to the fact that training is less widespread among less skilled workers (where the majority are female) than among managers (where they only make up a small minority). This is not just the case in retailing.

The comments above concerning special training programmes for new section heads explain the importance of training of supervisors. These programmes should be regarded as initial rather than continuing training.

This rather negative image of the limited role of continuing training should, however, be balanced by the analysis of recent trends which indicate growing expenditure and by studies in a few companies (CEREQ 1990). These indicated a significant increase in companies' interest in training, the recent formation of training departments, new investment programmes and more formal strategies.

[9] In companies with at least 10 employees.

PART 2:

Case Study No. 1

Case Study No. 2

Case Study No. 3

Case Study No. 4

Case Study No. 5

Case Study No. 6

2.

Six case studies have been carried out in France, out of a total of 55 for Europe as a whole. Such a small number of studies could not claim to be representative of a sector which Part 1 has shown to be very diverse. In accordance with the objectives of the Force programme, therefore, an attempt was made to study significant and exemplary cases, which could trigger further developments in the whole sector. It is with these considerations in mind that, after consultation with social partners, the selection was made.

It should be mentioned that, in several instances, the training programmes reviewed were still in the experimental stage. Consequently, it was not always possible to observe their real impact as foreseen by the project.

The presentation of the case studies follows the same structure: outline of the company, training objectives and strategy, more in-depth examination of one of these aspects.

The conclusions focus on the value of the training programmes and their transferability. They also summarize the key points identified as important at the start of the Force programme: existence of a training plan and a global approach; evaluation of skill needs; target groups; consideration of individual needs, training costs and evaluation of results. More detailed conclusions relating to the case studies and the outline of the sector are included in Part 3.

CASE STUDY NO. 1

1. General description of the company

1.1 Activity

Company A is one of the ten largest French food retailers. It operates through different types of stores. In France, at the beginning of 1992, there were:

- 50 hypermarkets
- 190 supermarkets
- 900 small local shops
- 50 convenience stores
- 44 cafeterias (self-service)

These are non-specialized stores offering a wide range of food and non-food products:

- fresh products: 35% of sales
- other food: 34% of sales
- non-food: 31% of sales

These stores offer several levels of quality (from economy to luxury) within each range of goods, which in fact allows them to target all kinds of clientele. The annual sales total nearly FF 30 billion (80% in France and 20% abroad), of which:

60% hypermarkets;
30% supermarkets;
10% other shops.

Thus, over 90% of turnover comes from hypermarkets and supermarkets and this trend is further strengthened by current supermarket development.

1.2 Structure

The company has five regional companies responsible for managing the stores and cafeterias, and several foreign companies, mainly in Spain. A central structure, in the form of a holding company, coordinates and monitors these regional and foreign companies. Logistics and warehousing are the direct responsibility of the regional companies. Central purchasing is undertaken by an independent company in which other major distribution companies are involved. The holding company is listed on the Paris stock exchange, but the capital is family-owned, as is often the case with this sector in France.

Each regional company is made up of all of the different types of store in its territory (the largest one manages 569 stores, the smallest 41). What is unique about company A is its three parallel decision-making structures. In addition to the group and the regional head offices (multi store labels), there is a transversal coordinating structure responsible for all problems specific to one type of store (one store label). There is a structure of this kind for the hypermarkets, supermarkets, neighbourhood stores and cafeterias. Each structure is responsible for a whole series of decisions which regional companies then have to implement. In order to avoid conflicts between the different structures (group, regional head offices, coordination), they share the same executives. Thus, the general manager of a regional company also heads one of the coordinating structures and sits on the executive board of the group. This transversal organization facilitates the development of a different retailing strategy for each store label, an improved environment in the hypermarkets, a straightforward discount concept in the supermarkets and quality of service in the neighbourhood stores. The existence of these three distinct but overlapping decision-making structures is clearly not without consequences for both the definition and the implementation of the company's continuing training policy.

1.3 Human resources

The group has a total of 24,000 employees divided into three categories:

- management 5%
- supervisors 10%
- junior staff 85%

On average, women represent 60% of the total staff, but this figure masks large differences between staff categories. Only 29% of management and supervisory staff are female, but they make up to 66% of junior staff and 60% of the managers in small shops. This low percentage of women in management and supervisory positions is not specific to this company; it is common throughout the whole sector. There is also a high proportion of young workers: 24% are under 25, whereas only 3.4% are over 55.

2. Main features of training policy

In France in 1991, 181,800 hours of training were provided for 5,921 trainees: 694 managers, 343 managers of small shops, 1,300 supervisors and 3,584 junior staff members. This means 72% of the managers, 68% of the supervisors, 28% of the heads of small shops, 24% of junior staff and 31% of the total staff.

2.1 Quantitative importance

In 1991, company A set aside 2.33 percent of its payroll, approx. FF 40 million, for staff training. This sum is not only considerably more than the statutory minimum specified in the Act of 1971 (1.2% of the payroll until 1991), but, in a sector where continuing training is not highly developed, it represents one of the highest training budgets in the large scale retail business.

The funds earmarked for training are the direct responsibility of the regional companies. This means that even training provided on a "group" level is mostly located in one of the regional companies.

2.2 Training as a strategic tool

The company has quite a strong tradition of continuing training open to all categories of staff. Mainly technical in nature, it is seen as a tool for implementing executive policy. Traditionally, the goal of training policy is not personal fulfilment; rather, it is intended to help staff keep abreast of changes in commercial policy and internal organization. Training programmes are aimed, above all, at managers and supervisors. Due to their high turnover rate and the limited amount of funding, junior staff receive little training. When it does exist, it is very brief and oriented to the work station. Recently, however, a programme for improving the level of general knowledge was introduced in one regional company for junior staff who showed potential for development. Selection is done exclusively by man-

agement, however, and for the time being, the programme is not systematic. We will come back to this later. All of the company's training programmes are carried out during working hours, and staff members are not asked to make any financial contribution.

2.3 An attempt to standardize training activities

For several years, the main goal of those responsible for training at the central office has been to align the programmes in the different regional companies. Until now, these companies have enjoyed considerable autonomy to develop their own programmes; at present, however, training policy is formulated at group level and no longer by the regional companies alone.

Since 1971, each regional company has had its own training unit that sets up and supervises the programmes. In each of the regional companies the training unit has a staff of five people and is under the control of the human resources department. It has two responsibilities: firstly, to hold joint discussions on the main orientations of training policy at group level, secondly, to guide the elaboration of common training programmes for which a corporate strategy is considered essential. In this case, the practical arrangements may be left to one regional company, each regional company or organized at central level (but this is rare).

As far as the profile of the training managers is concerned, two come from within the stores and three have been recruited externally. Wherever possible, trainers are recuited from inside the company, although sometimes outside institutions are used. There is no formal training department at head office, but there is a central human resources division with two responsibilities: firstly, to define major orientations for training policy at corporate level which are passed on to the regional companies; secondly, to directly operate certain training programmes where it is deemed essential to transmit a "group spirit". In practice, the organization of the course is assigned to one of the regional companies, although trainees come from the whole group.

The main orientations of the training policy at corporate level are prepared centrally at head office and training departments in each regional company are responsible for their implementation. Information on training needs has traditionally been communicated through the official hierarchy, but for some time now, a system of annual interviews has also provided a channel for evaluating individual training needs. These interviews only involve managers and supervisors. The human resources departments of each subsidiary collect the information and send it to the head office. At the group level, these data are only analyzed from the collective angle. By means of assessment interviews, the training units identify individual needs, leading to specific training programmes. This is not restricted to management. For example: broad training in electronics for a sales assistant who finds it hard to keep up with recent technological developments and has had no basic training in this area.

The information gathered at the annual interviews is analyzed by the regional head offices, and especially by the coordinating structures for the store label, with a view to developing training programmes. Apart from the individual interviews, these coordinating structures may also rely on advisory committees that bring together those responsible for the store label (store managers, unit supervisors, section heads) several times a year to identify the main training needs. The opinions of these committees serve in fact as a basis for the decisions taken by management.

2.4 Assessment

In some instances, a training programme can trigger an "assessment engineering" process, involving the whole hierarchy, up to the top executives, in order to ensure coherence between organization, expertise and training (especially for management training). Without always involving action on this scale, the concern for assessment has become more systematic but it can be translated only into programmes that are specific to each type of training. The company cannot set up any global system for assessing individual or group skills or performance. Ultimately, turnover and financial results are the only possible judge. And they are moving in a positive direction.

However, there are also other indicators, e.g. the rate of internal promotions in the group compared to outside recruitment of managers increased from 38% in 1989 to 43% in 1991, close to the target of 50/50 recommended in the policy for human resources management.

2.5 A three-level training plan

For several years, the company has been endeavouring to consolidate its continuing training system in order to improve relations between staff and their work stations and ultimately to increase individual and collective performance. To this end, the current training plan has three components.

• *One-off training programmes*

This type of programme is a direct legacy of company practice. It entails training activities decided by executive management and implemented by each of the regional companies. These activities are intended to adapt staff job skills to the company's strategy and organization (e.g., following the installation of a new computerized ordering system). These activities are one-off, decided by management on the basis of specific needs that are relayed through the hierarchy.

• *Programmes accompanying promotion*

For several years the group's human resources department has been trying to set up a policy of active personnel management, mainly through the establishment of annual staff assessments (i.e. interviews between the employee and his or her direct superior). These interviews are intended to ascertain each person's career aspirations and to try, if possible, to encourage them.

Along the same lines, training programmes have been set up for those assuming new positions in the hierarchy, whether through external recruitment or internal promotion.

At junior staff level, there is a three-day induction programme for new employees which is mainly carried out in the store. For several months, general

training has also been made available to workers who show potential.
One regional company has set up a curriculum designed to raise the level of general knowledge of those employees selected by management for future supervisory posts. It aims to upgrade the skills of participants before they attend a 20 day training session leading to supervisory jobs. This course is offered to two groups of 15 employees every year. It takes place one day per week over a period of six weeks. Courses are undertaken externally in a Chamber of Commerce trade school. The following subjects are taught:

- mathematics and arithmetic;
- economics;
- expression (vocabulary, spelling);
- oral expression.

Teaching methods are similar to those used at school, with lectures followed by exercises. Between classes, trainees have to do exercises at home. At present, there is no formal assessment, but it is under consideration for future groups. Much to the surprise of management, this programme has met with scepticism on the part of the participants, who do not understand why they are being taught things that do not have to do directly with their job and their work station. They do not see the value of increasing their general level of education.
There is also a 20 day programme for new supervisors, whether recruited externally or by internal promotion. At the end of the course the employee attends an interview with a panel of company executives to confirm the employee's suitability for appointment to the grade. This training is organized and carried out at regional level within the parameters defined by head office. This type of training existed in the past, but it varied considerably from regional company to regional company, with the result that head office sought to give this a new definition and harmonize what was on offer.
There is also a 10 day training programme for all new managers, regardless of whether they are recruited internally or externally. This training is offered to approx. 100 employees a year. Unlike the other two programmes which are run in a decentralized manner, this training is organized directly by head office (drawing on the training structure of one of the regional companies) and if brings together managers from the different regional companies, probably in order to instill in them the "group philosophy".
Similarly, although it is not directly linked to promotion, the company has recently instituted a programme for improving the general knowledge of experienced managers who show potential. This is still career-related training, but it is not directly aimed at facilitating the employee's adaptation to a work station. Here, the context is rather one of personal fulfilment, which has no direct short-term advantage for the company (even if the long-term benefits are obvious) and it is precisely this feature that makes it innovative. This programme is dealt with in greater detail below.

- *Training in occupations*

Together with training programmes geared to vertical mobility in the company, there is also training by occupation to accompany horizontal mobility (transfer to a different unit or a different occupation at the same level). After analyzing the training needs of each of the main posts (section head for fresh goods, warehouse supervisor, supermarket manager, neighbourhood store manager, the management of each store label, a training cycle is developed for all those entering these jobs. Such training is also clearly intended to adapt the employee's skills to his or her new work station. It is set up by the regional companies on the basis of directives issued by the consultative group. The coordinating structures for each chain play a determining role in the development of these programmes for training in specific occupations.
It is clear that these different programmes are not restricted to a specific function and that, for example, an employee who reaches the supervisory level with a job change will receive training to accompany the promotion, plus training specific to his new occupation. This is also true for employees coming from outside the company: they receive the training that corresponds to their grade and their type of occupation.

2.6 The role of the social partners

Staff representatives are elected at several levels. At store level if there are more than 50 employees, at company regional level and at group level. The composition of the central staff committee illustrates the relative weight of the various unions in the regional companies, since this representation is defined by the Ministry of Labour depending on the degree of union membership in each regional company. On the junior staff committee, there are 6 CGT, 3 FO and 3 CFDT representatives – there are 2 non-union representatives and in the small shop manager committee 1 FO and 1 CGT representatives. The social partners are consulted only insofar as this is legally required. In other words, the annual training plan is presented and discussed by management at the two annual meetings of the central staff training committee. These sessions are purely advisory, with no real negotiations taking place as the relevant legislation does not require this. Training plans are also discussed in stores employing more than 50 workers by the local committee.

3. A closer look at a further training programme

As noted above, the innovative feature of this programme is the goal of individual improvement without any direct connection to the trainee's work station. This kind of programme is entirely new, not only for company A, but for the sector in general.

3.1 Target groups

In principle, this training is open to any experienced manager seeking to improve his or her skills or acquire additional knowledge in business management. In practice, trainees are selected by their superiors, who are responsible for identifying candidates with potential and proposing this course as a means of developing that potential and possibly advancing their careers. At present there are no provisions for spontaneous requests to participate. The programme is aimed at managerial staff considered promising by their superiors (most often supermarket and hypermarket managers) and for

whom a low level of initial training constitutes a barrier to assuming greater responsibility. The number of candidates in this category is quite high in the retail sector, where self-trained managers who have progressed in their careers constitute a large proportion of the stores' managerial personnel. Among the present trainees, for instance, there are:

5 hypermarket departmental managers
2 supermarket managers
2 regional supermarket managers
1 warehouse manager
2 regional small shop managers
1 general services manager

The average age of these trainees is between 30 and 35. The move towards increased responsibilities presupposes general knowledge of business management, something they often lack. In fact, it is the company's difficulties in recruiting recent college graduates and high-level managers with store experience that prompted the creation of this kind of programme. In other words, the initiative comes from management and not from the staff.

3.2 Main features of the programme

Training is spread over a period of 20 days, divided into 9 units of 3 to 4 days spread over 16 months. Each unit deals with a specific theme concerning business management:

Subject	No. of training days
Economic and financial assessment	2
Retailing strategies	1
Marketing	3
Finance and cost control	3
Purchasing	2
Logistics	2
Management	1
Economic, legal and fiscal environment	2
General policy	4

There are 25 trainees in each group, which remains unchanged throughout the 16 months of the programme. Two of these programmes are organized every year.

• *Training organized in cooperation with a business school*

Training sessions take place outside the company, in the form of on-campus seminars at one of the most prestigious business schools. This sort of cooperation between companies and business schools is common in France. In effect, these schools have a dual role, first of all, to offer diploma programmes that train students in business management and second, to provide life-long training for company managers through seminars developed according to the specific demands of each company client. The business schools are usually run by the local Chamber of Commerce and Industry. Since Company A's head office is located in the Paris area, the cooperation involves one of the business schools of the Paris Chamber of Commerce.

• *Teaching method used*

The main educational tool is the case study, but this is not necessarily related to the retail trade. The day starts with a presentation of the subject and the case by a business school lecturer. The trainees then discuss the case in groups, and the lecturer goes over the case again to bring out the general issues it raises. This introduces the theoretical content of the module. Finally, a company executive concludes the module with a description of the company's policy in the area under discussion.

The content of the units is developed jointly by the full-time lecturers at the business school and the executives.

3.3 Assessment of training

• *Didactic assessment*

At the end of the course, there is no formal assessment of the knowledge acquired by trainees; but they are simply asked to fill in a questionnaire asking their opinion about the training content.

In their assessment of the programme, trainees have generally voiced two main criticisms. First, they complain about the difficult nature of the cases studied. The presentation of the material is too brief for them to be able to solve a case adequately, and the case study itself poses problems for them because they are not accustomed to assimilating so much data in such a short period of time. Secondly, and this seems very surprising, they do not understand why the instruction is so far removed from the content of their work. They would all like something more directly applicable, more functional. It is difficult for trainees to look beyond the horizons of their particular store. In this respect, they especially appreciate the presentations of the company management because they find themselves back in a familiar world. In general, they are very receptive to any information concerning the company's operation. They have difficulty in projecting themselves into the medium and long-term in order to understand the value of acquiring general knowledge of management particularly at the beginning of the course, but this improves as the course progresses. In the meantime, some changes have been made to the modules, which reflect these concerns. From the training manager's point of view, the course is too short in relation to the number and complexity of the subjects addressed, and the knowledge acquired does not permit the kind of in-depth changes that would really help the trainees to advance. For that to occur, each trainee would have to determine the direction he or she would like to follow, and individual advanced training would have to be arranged on that basis. At present, the company is not ready to deal with individual training needs, but it will have to move in that direction if it wishes to promote real mobility for its store managers.

• *Assessment by the company*

The company estimates the total cost of training to be more than FF 35,000 per trainee, a sum for which it has assumed full responsibility. As in the case with other training, the company does not attempt to assess the medium-term effects of this course. Nonetheless, it must be noted that in this particular instance, given the very recent nature of the training

and its goal of generating medium-term mobility, the results are for the moment very limited.

3.4 Comments on the transferability of the experience

As mentioned above, the innovative dimension of this programme lies in the fact that it is not directly related to the particular jobs of the trainees. It is not linked to a new job, but aims to encourage mobility. Therefore, such a programme should be of more value to junior staff than any other category. The company is no longer working on the short-term, but on a medium or long-term perspective in order to promote staff mobility. This type of programme seems to be an essential component in a coherent policy of human resources management. Of course, this type of programme may already be found in other sectors, but in retailing it is truly innovative and there are very few companies who have already introduced such programmes.

Two aspects should be mentioned in connection with transferability. Firstly, the idea of cooperation with a business school merits consideration since it enhances the confidence of trainees, who appreciate the fact that they attending a course at a recognized institution. Furthermore, this type of institution has an established and experienced teaching structure.

Secondly, the involvement of company executives in the design and in the presentation of the seminars is undoubtedly an efficient way of linking the general aspects (the theory) to a particular situation (the company). This approach should avoid the risk of trainees feeling that the training is not relevant to them and rejecting it. For reasons of transferability and in order to further extend the innovative aspects of this type of training, it might be appropriate to offer this training to all members of management (even though the number of places is necessarily limited), and not only to those who have been selected by the company. Furthermore, the value of the programme for enhancing the skills of staff would be strengthened in respect of contents and assessment. An open and skill-enhancing training programme would give a more objective and, possibly, more democratic character to mobility within the company. In this way, management may be partly relieved from the difficult and somewhat risky task of assessing individuals. This may help to create a better working community.

3.5 Summary of key points

As specified in statutory provisions, there is a training plan:

Training needs are assessed through working groups and annual individual interviews.

Managers and supervisors are the main recipients of training. (72% and 68% respectively during one year, as opposed to 24% for junior staff).

There is no individual approach to training needs, although it can be said that general courses for promising staff contribute to their individual improvement.

The company devotes 2.3% of its payroll to training, which is above average for the sector.

There is a common call for systematic assessment but this can only be translated into arrangements which are specific to each type of training.

CASE STUDY NO. 2

2.

1. General description of the company

1.1 Activity

Company B is a regional group with some 115 members, all of whom own one or more stores in the southeast of France. There are three types of store:

5 hypermarkets (averaging 3,000 square metres)
65 supermarkets
45 mini-markets

These are all non-speciality stores, offering a wide range of food products and several non-food sections. The stores are frequently located near a small or medium-sized city, requiring them to offer the local clientele the largest possible choice. In spite of this general orientation, however, non-food products average less than 10% of sales.

Turnover by product family 1990	
Fresh products	40%
Other food	52%
Non-food	8%

Turnover by store type *percentage*	1988	1990
Supermarkets/hypermarkets	46	61
Mini-markets	54	39

In 1991, the total turnover for all members rose to approx. FF 5 billion, over 70% of which was generated by the supermarkets and hypermarkets. The average turnover for a supermarket is about FF 45 million (including taxes).

1.2 History

In the beginning, around 1920, a group of merchants (mainly grocers) joined together to set up a purchasing co-operative and a store label. These local cooperatives subsequently created a national federation to co-ordinate their activities and combine certain purchases. During the 1960s, these local co-operatives were gradually organized into regional groups to rationalize their activities, mainly purchasing and supplies.

With the completion of this restructuring in 1991, only five regional groups and one national federation remained. The specific company that we are studying is in fact the South regional group, with some 115 retail units.

At the beginning of the 1980s, the south regional group comprised mainly small-sized stores. In 1986, for example, there were only 15 supermarkets, which accounted for no more than 40% of the total turnover. Given the steady reduction of the market share for mini-markets, the regional group decided to restructure its membership moving from owners of small stores towards those of supermarkets and hypermarkets. This restructuring was rapidly undertaken, as can be seen by the fact that in 1991, the group included 50 additional supermarkets and five hypermarkets. With this increase in store size, turnover rose from FF 780 million in 1986 to FF 3 billion in 1991.

Annual turnover by store type *billion FF*			
1987:	1.2	1990:	2.2
1988:	1.7	1991:	3
1989:	1.9		

At the same time, at national level, store images were rationalized and standardized in order to permit a single communications policy (both internal and external) for the whole federation.

1.3. Organization

The regional group functions as a co-operative. Store-owners are free to join in order to benefit from its services in exchange for financial participation. This participation is in two forms: first, purchase of a share of the group's capital (now around FF 100,000), and second, payment of a fee based on the store's turnover. Each member is thus a shareholder in the group with a vote in the general assembly.

This general assembly elects a board of directors, which in turn designates a chairman and chief executive officer. The board of directors has a dual function: to supervise the membership and manage the group.

This regional group offers its members a whole range of services:

- Most important, the joint purchase of merchandise and transport to the store: purchasing, supply, storage, transport, commercial follow-up;
- Expansion: recruitment and selection of new members;
- Finance;
- Human resources management and training: direct management of the group's human resources (500 people): activities and on-site counselling for store personnel.

One of the original features of this company's structure lies in the fact that the group's users are also its owners; thus, the members are interested in ensuring that the group acts in the interest of the stores and not on its own behalf. Each person in charge of a certain aspect of operations within the group is therefore teamed with one of the member companies. In this way, members exert direct control over the operation of the group, and decision-makers remain in direct contact with members' needs.

At national level, the federation (with 60 employees) implements the respective communications policies of the hypermarkets, supermarkets, and mini-markets and negotiates certain purchases with the main national suppliers.

1.4 Human resources

Members employ a total of nearly 4,000 people in their stores, and the group employs 500. There are about 100 members. Among the group's personnel 85% are junior staff and 15% managers and supervisors.

Table 1 - Organizational chart for the group

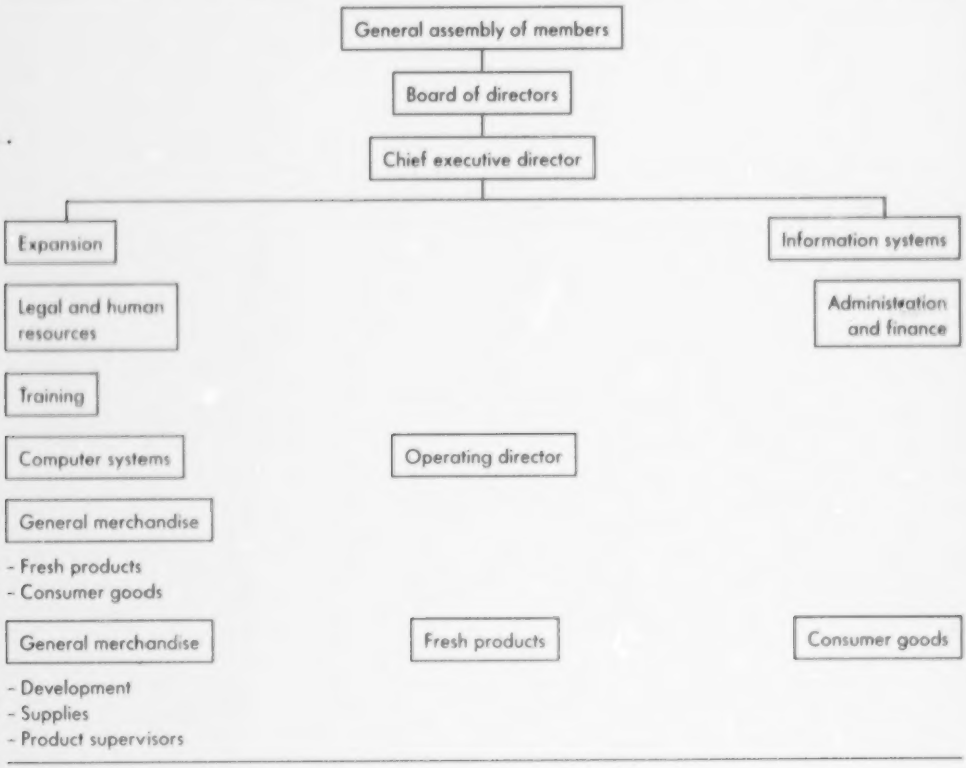
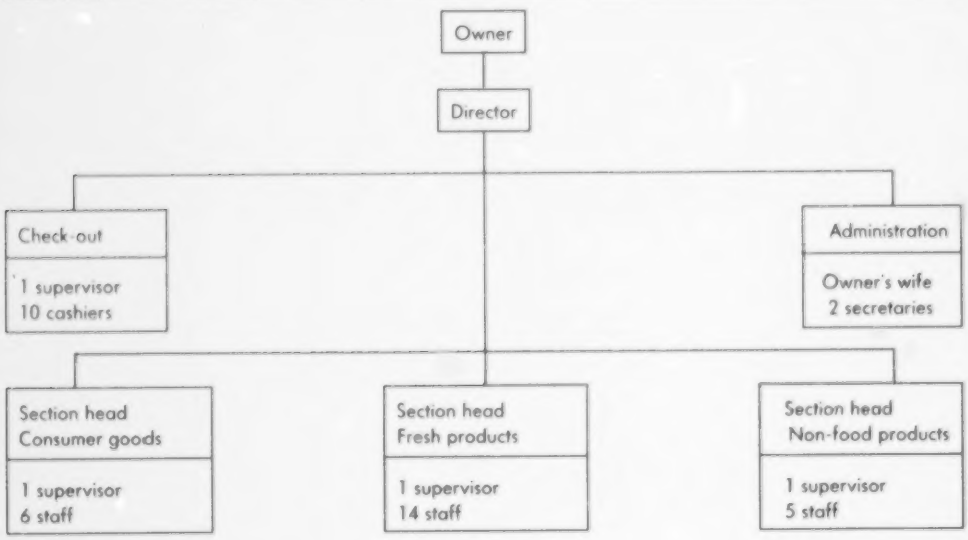


Table 2 - Organizational chart for a supermarket of 2,000 m^2



Additional personnel depending on the structure of each store:

2 cashiers responsible for service centre
1 receptionist
1 receiving clerk

No figures are available for store personnel, but we can draw up a typical organizational chart for a supermarket with this store label:
The personnel of a supermarket thus comprises approx. 45 to 50 people, and often additional temporary staff for busier periods and apprentices or trainees.

2. Main features of training policy

2.1 Human resources management

Given the unusual structure of this company, human resources management must take into account the specific features of three very distinct groups:
- member-shareholders (115 owners)
- store personnel (4,000 employees)
- group personnel (500 managers and junior staff)

In fact, it is the human resources department (HRD) of the group that oversees these three groups, even though it is directly responsible only for the group's own personnel. Since store owners are free to manage their staff as they see fit, the role of the group's human resources department is limited to providing advice and/or services. In relation to the members themselves, it is clear that the HRD can only make suggestions, even if it is able to exert some pressure through the support of the board of directors.
One of the main objectives of the regional group's HRD is therefore to try to standardize a very heterogeneous group in order to create a company dynamic. Thus, in a very original way, training is used as one of the main tools for this policy of homogenization.

2.2 Training as a factor of cohesion

In 1985, following considerable economic difficulties at member level (inability to pay) as well as that of the group, the board of directors decided to revitalize the group through two policies: commercial reorientation toward the supermarket, and standardization of operating rules in order to rationalize and improve the functioning of the entire group-store entity. To achieve this goal, it was necessary to enlist each member in a co-ordinated effort. Since nothing can be imposed on members except the structure of the group, it was decided to implement this policy of standardization/rationalization through the intermediary of training. Thus, along with the modification of store structure, training was one of the main factors behind the revitalization of the group and its subsequent growth.
In the early 1980s, the central training department simply offered members thematic training courses organized by outside consultants. Each store owner decided whether to send his personnel to one course or another. At a financial level, each of the stores/companies contributed 1.2% (the statutory minimum) of its payroll to a training insurance fund (FAF), and when an employee took a training course, the FAF paid the relevant instructor/consultant directly. The role of the central training department was thus limited to the selection and proposal of training courses.
When the group was reorganized, the administrators became aware of the importance training would have, and decided to make a fresh start on the basis of a training audit. This audit revealed that it would be difficult to maintain a homogeneous training system because of the disparities in work procedures from one store to another. In addition, while each of the members had skills in a certain field, there was really no common know-how. Nor was everyone persuaded of the link between the profitability of his or her store and the vocational training of their employees and themselves.

2.3 Establishing a training system

In the face of so many disparities, the administrators realized that it was necessary to establish the training system on the basis of the members' existing but scattered knowledge. The procedure created was the following:
- Identifying, defining and elaborating know-how and efficient work procedures in order to establish them as standards;
- Designing training tools that allow the spread of know-how and work methods;
- Convincing members of the relevance of these tools and spreading know-how and standard methods.

Initially, a ten-member group was constituted to study the know-how and procedures implemented in the stores and the group. Through them, procedures seen as optimal were elaborated and formalized in a practical guide to the operation of the store and the group. Meeting for a day and a half a week more than twenty times during 1991, this work group addressed the following issues:

- commercial policy and management;
- organization of the store and flow management;
- accounting, finance;
- human resources management.

The members of this group studied, for example, the optimal procedure for placing products on the shelves, recommending that employees begin by cleaning and straightening their sections on their arrival, that they note goods out of stock and quantities for replacement on a special sheet, etc. This methodological guide is quite detailed and really defines work organization.
For every topic, an outside facilitator was present to help the members express and clarify their knowledge. Once the guide was completed, it was necessary to develop tools to ensure its acceptance by other members and have it distributed. This resulted in several new processes:

- Groups of ten members meet each year for ten seminars lasting a day and a half in order to learn about procedures implemented and, if necessary, to discuss them. Thus, in a few years, all members will have received training in the standard work methods (procedure for receiving merchandise, management of a section, personnel structure of a store, organization of labour in a store or a department in terms of its turnover, presentation of a produce section, etc.) and will have been made aware of the necessity of implementing them among the store personnel;

- Participants from the original group are required to implement the standard work procedures in

their stores, with the help of an external training advisor. The training should involve all the store personnel and take place on store premises; the member should play a major role in conducting this training. An agreement under consideration with the Ministry of Labour might allow each store-company to receive state aid[10] to finance this training (70% of teaching expenses). This kind of universal training in the store is intended to prevent the trainee from feeling isolated by selective training (as is often the case with outside courses) and from encountering the resistance of co- workers when he or she returns to the store. All the personnel develop together and the owner, who has already been trained and familiarized with the new work methods, cannot constitute an obstacle to their adoption;

- In order to start training new store employees in the standard work methods, a Trade School was set up by the group's training department. This school prepares 20 trainees under qualification contracts for the professional baccalaureat in commerce and services. They receive 1,200 hours of training: 850 in the classroom and 250 in the store. We shall return to this training tool below in our detailed study;

- New members are also trained in these standard methods through a six-month training course organized by the group, during which they learn how the company operates, from the viewpoint of both the group and the store. Until now, new members spent several months in a retail outlet, but their training had no formal content. This kind of training course has not yet been instituted but should be in the near future.

A central training structure has been created in order to handle these various tools. It is an autonomous body in the form of a non-profit organization (Act of 1901). Its financing is ensured by a contribution from the regional head office and a fee paid by each member. The organization also sells its services to the group or the individual stores and even makes a slight profit; its services are either paid for directly by the stores or through the intermediary of the FAF. If, as anticipated, the amount of training expenditure by the group exceeds the statutory minimum, payments will, increasingly, be made directly by the stores.
The organization has several permanent employees responsible for selecting consultant-trainers and preparing with them the content of the training courses. They are also in charge of the practical organization of the training courses (schedule, notifications, enrolment and possible selection). We shall examine the role of this organization more closely when we return to the detailed study of how the trade school operates.

2.4 Role of the social partners

Due to the particular structure of this company, and the fact that each store is an independent company, individual staff levels average only 30 people. As a result, there is usually no union representation in the stores. Thus we can really speak of social partners only in relation to the group (500 people). Since the problems raised by the group's staff representatives mainly have to do with the warehouse workers, we cannot say that the social partners play a role in the overall operation of the company or its training system.

3. An in-depth study of the trade school

3.1 Training objectives

This training has two main goals. First, to provide the stores with managerial line staff (section heads and later, store managers) who show potential for the future. Second, it has to train future store managers in the methods and procedures newly developed by the members.

• *Training young line managers with potential*
In recruiting its middle management, this company faces the same difficulties as most others in the sector. Indeed, for a variety of reasons, young people do not seek out retailing companies on their own. The sector's bad image among young people basically stems from the declining status of the trade and poor working conditions. Furthermore, in a sector with a strong tradition of internal promotion, it has become increasingly difficult to find people with potential who are really interested in career advancement. Against this background, it becomes essential for the company to create a structure that will guarantee a supply of dynamic young managers with training that allows them to assume line functions in the stores immediately.

• *Training future managers in the new procedures*
Since the company makes a considerable effort to standardize working methods throughout the stores and in the group, it must not only try to train existing personnel in these new methods, but also make sure that new personnel are trained from the very beginning. This is doubly important for future managers and supervisors, since they will subsequently be able to contribute to the implementation of standard procedures in the stores where they will be working.

3.2 General functioning and financing

• *General functioning of training*
The first group of trainees was recruited in September 1991 and will complete its training in September 1992. Thus, the programme remains experimental. This training is based on the alternance principle combining theoretical instruction with practical training in the store. As already indicated, of the 1,200 total hours of training, each young person

[10] Framework agreement for the development of continuing vocational training in the food retail sector, signed in September 1991 by the Delegation for Vocational Training (Ministry of Labour) and the associations representing the sector. Companies which meet a certain number of requirements may apply for state assistance to finance specific training activities.

receives 850 hours of theory and 250 hours in the store. In the course of the year, six weeks of theory alternates with three weeks of training in the store. Most of the practical training takes place in July and August, at the end of the year-long training period. This permits stores to benefit during the summer, the busy period in the south of France, from additional quasi-managerial staff that is nearly ready to assume its functions. For their part, the young people find themselves in a position of responsibility. Throughout their practical training, they are assigned to a tutor, generally the manager of the store they have been assigned to. His role is to monitor the balance between the content of the theoretical instruction and the tasks assigned in the field.
Theoretical instruction is offered in the group's training department by external consultants, whose contribution is decided in advance in consultation with the person in charge of this training. In fact, to guarantee the functioning of this trade school, a manager from the training department has been temporarily assigned the role of director of studies.
Trainees are assessed continuously by means of written examinations and papers prepared on job-related topics. At the end of their theoretical instruction, trainees may take the professional baccalaureat in commerce and services. If successful, they are issued their certificate by the Ministry of Education.

• *Funding*
The first group of trainees began the programme in September 1991 and finished in September 1992. All trainees have a qualification contract, which, as stipulated by legislation, permits the company to include FF 50 per hour of training per student in its expenditure on alternance training (which must amount to a minimum of 0.3% of the company's payroll).
In the case of the company studied, the funds are paid by the stores to a Training Insurance Fund (the joint fund authorized to collect the 1.2% required training expenditure), which then pays FF 50 per hour per student. At 1,200 hours, this amounts to FF 60,000 per student per year, or a total of FF 1.2 million for the 20 students.
The training takes place entirely at the non-profit organization created for this purpose by the regional group, with funding mainly from the contributions of the Training Insurance Fund. Because of its independence from the company, and its cooperation with the local college rectorate (within the framework of preparation for the professional baccalaureat in commerce and services), the organization hopes to be authorized to collect the apprenticeship tax in the companies, and more particularly in the group's member stores.

3.3 Trainees

Trainees are recruited directly by the stores although they are selected by head office in collaboration with a group of members. Advertisements are placed in the local press. Trainees are subsequently assigned to the store that recruited them, in order to avoid trainees having to go else where, something which would be difficult for 23 year-olds. They sign a one-year qualification contract with the store that hired them, but at the end of training, they are not tied to that store and could, conceivably, choose another. Throughout the training period, they receive remuneration from the store at a level close to the minimum legal wage (SMIC), which is about FF 5,000 a month. All practical training takes place in the store which hired the trainee, but in order to cover part of the wage costs borne by the stores while the young people are receiving theoretical training at head office, the latter pays the store FF 10,000 per trainee (this amount is deducted from the FF 1.2 million received from the FAF). With this type of contract, the company's wage cost is also reduced, since the employer's social security contribution, normally 40 % of remuneration is reduced to 12%.
The level of prior training is fairly uneven, ranging from the BEP diploma of occupational studies (baccalaureat -2) to baccalaureat and advanced technician's diploma (baccalaureat +2). It would seem, however, that 80% of the trainees have a higher level than the baccalaureat, and most have a series "G" baccalaureat (accounting and management). Rather surprisingly, the trainees who hold this baccalaureat are interested in obtaining the professional baccalaureat because they see it as a genuine diploma that complements their general training and thus provides a real means of access to employment.[11]

3.4 Detailed description of training content

Training begins in late September with a two-week programme in the host store to familiarize trainees with the sales outlet. At the end of this course a short report is prepared. During this initial contact, the trainee performs handling tasks along with the rest of the staff.
A six-week period of theoretical "induction" follows at the group's training centre, during which the following topics are covered:

- *"integration" seminar, group dynamics, communication, introduction of participants and presentation of the programme – 1 week;*
- *the retailing world, presentation of the group, visit to a regional Centre – 1 week;*
- *the sales floor – merchandising – 1 week;*
- *management of stock and of flows – 1 week;*
- *knowledge of products – 1 week;*
- *company accounting – 9 days spread over the 6 week programme;*
- *understanding the world today, French and personnel management – 1 week.*

During these modules, the length of which varies according to the topic, theoretical training is coupled with visits to the store and warehouse and practical applications in the form of case studies. Each module takes a different form, depending on its content: a series of half or whole-day sessions, or an entire

[11] Opinion voiced at a group meeting with six trainees.

week devoted to in-depth treatment of a single topic. The content is determined by the external training instructor in collaboration with the head of training at head office. For the moment, students have only one introduction to the newly developed standard working methods, but beginning next year, teaching materials will be available, and the methodological guide will provide a real basis for the instruction received by future section heads. The use of these teaching aids should also permit a reduction in the often expensive recourse to outside instructors.
During the Christmas period, they undergo two weeks practical training in the store. For this training course, students work in a group, with the instructors, to prepare a schedule including the points they particularly want to work on during their practical training. They present their schedule to their tutor at the beginning of the period. At the end, each one prepares a written report that must be presented before a panel made up of members of the group. The main theme of the Christmas training is the management of goods flow. In the field, the trainee performs handling tasks and is introduced to the "number" side of the section (turnover, mark-up, sales by product, etc.) by the tutor.

The trainees then return to head office for two months of theoretical instruction, mainly dealing with:
- purchasing – 1 week and 2 days: making up ranges, negotiating, communication techniques;
- accounting: 3 days;
- informatics – 4 days: use of Multiplan and computerized accounting in the group;
- sales legislation: 2 seminars of 2 days each;
- spoken and written French: 2 seminars of 3 days each;
- in-depth study of the sector (specific sector of the store): 2 days: study of the fruit and vegetables section;
- equipment management: 1 day;
- sales management: 1 week: profit margin, business statistics;
- understanding today's world: 3 days; press review, geography, Europe.

The in-depth study of the sector consists of one course on the specific sections in the store (meat and poultry, baked goods, fresh produce, etc.). These courses are for all the trainees, which means that those wishing to specialize must make individual contact with the relevant supervisors at head office. There is no formal specialization during this year.
They then return to the store for three weeks, concentrating on ordering of goods and stocking shelves, negotiations and purchasing, and section management. In fact, the topics to be dealt with in greater depth are determined at the conclusion of the preceding training course, when trainees, instructors and members jointly define the issues that warrant further study. In the store, the trainee is given the task of placing orders for one section.
There is a five-week course in April with the following curriculum:

- in-depth sectoral study – 1 week: meat 2 days, fish 1 day, bakery 1 day;
- foreign languages: 3 days;
- personnel management: 1 day;
- commercial legislation: 2 days; fraud control, store visit;
- understanding today's world: 1 week + 1 day;
- sales: 1 week;
- reporting. Writing and presentation of a report; identification of the forthcoming themes.

Four weeks of practical training in May.
Four weeks of revision and preparation for the professional baccalaureat exams in June.
Three-month practical training from July to the end of September.

3.5 Assessment of training

During their alternance training, it is clearly the long periods in the store that pose the most problems for trainees. The main difficulty lies in having to communicate and work with employees who are more familiar with the work than they are. The trainees arrive with new ideas acquired during the theoretical instruction but they cannot apply them because they come up against personnel who already have their own work methods. Once the store personnel have received training in the new work procedures themselves, this problem will be partly overcome, but for the moment, none of the stores has taken the step. Given the problem of integrating trainees into the store personnel, some members would like to lengthen the periods they spend there. They also believe that in future, tutors should receive training for their roles, which is not the case today, this creates many problems of understanding between tutor and trainee. The main difficulties, however, appear in the area of occupational integration and this is where it is most important that the entire work force be prepared for the arrival of a trainee.
The main criterion for assessing this training will be the percentage of trainees actually hired by one of the group's stores at the end of their contract. If the majority do not remain in the group, this training will be considered a failure. For the moment, however, most of the members indicate that they would be willing to try again whilst attempting to understand and remedy this failure.
At present, in comparison to the other types of qualification contracts with which they are familiar, the members are very satisfied with their trade school because of the sound nature of the theoretical instruction. They indicate that when training takes place through an outside agency, it often lacks substance, which is very detrimental to the trainee. This recognition motivates the members to make a greater effort to balance the content of theoretical instruction and that of know-how applied in the field.

3.6 Assessment of programme transferability

Even though the design and implementation of this programme are still incomplete, we believe that its approach has three strikingly original features.
First of all, the very fact that training plays a strategic role in company development, and is recognized as such, is completely without precedent in this sector, where the training effort is often accorded little value by management. Here, training is under-

stood to be a driving force behind the the group's cohesion and dynamics, and above all, investments are approved by management accordingly. Indeed, with training expenditure amounting to 3 or 4% of the payroll (3.4% for the whole group), many stores exceed the statutory minimum. Thus it seems that in any structure grouping together independent merchants, the role of training deserves particular attention. It helps to generate a philosophy that is common to all store personnel and to rationalize the overall management of the group in order to increase profitability and ultimately ensure its survival in a very competitive environment.

Second, it is worth noting that this training approach begins with a careful analysis of work methods and procedures, which ultimately amounts to anticipating training content. This amount of attention to the organization of work is also entirely new in this sector. Normally, this approach should keep the grouping from falling into the trap of training programmes whose content remains marginal to work organization and thus does not offer any real solutions for employees.

Third, although the entire training system has not yet been fully set up or stabilized, we believe it can be said that once the methodological guide was prepared, a coherent approach to training was set up to distribute it. With the training of new members, of new section heads and shortly, of work-station supervisors, and with training store by store, a major effort is clearly being made to ensure that the new methods are omnipresent as far as staff is concerned. This attention to coherence is also mirrored in the commitment to give young people with qualification contracts solid theoretical instruction inside the stores rather than placing them in outside agencies.

3.7. Summary of key points

As this case concerns a group of independent retailers, the concept of a training plan does not apply in the same way, but common orientations have clearly been defined.

As mentioned above, special attention has been given to the evaluation of skill requirements.

Most of the training effort is provided for potential managers.

Individual training needs are catered for only to the extent that training programmes include some elements of general education.

Amounting to more than 3% of the payroll, the training effort is well above the average.

As yet, no assessment has been made of these programmes as they are still relatively new.

CASE STUDY NO. 3

1. General description of the company

1.1 Activity in France

We shall not dwell on the company's activity in other countries in which it operates (which is the subject of other case studies). But some basic information is nonetheless necessary for a better understanding of the role of the French subsidiary within the group.
Company C has 685 stores worldwide, 291 of which are located in Great Britain. There are a total of 11 in France, and although 6 are located in the provinces, the bulk of the turnover is generated by outlets in the Paris area, led by the flagship store on the Boulevard Haussmann in Paris.
Boulevard Haussmann was the first store opened in France, in 1975. Since its recent expansion, the retailing area totals 7,200 square metres, including about 800 square metres for food products. This store is by far the largest of the company in France, with the sales area of the others averaging between 2,500 and 3,000 square metres, about 200 square metres of which are devoted to food products (i.e. less than 10% of the total sales area). The bulk of the sales in France stem from clothing, sold under a company label.
While most of the goods sold in France fall within the range defined by the central buyers in the United Kingdom, adaptations to the local market are possible. In terms of product supply, France follows the lead of the United Kingdom. The same is true for the store's image, which also emphasizes the quality market segment and thus, in France, where price competition among the different chains is said to be fierce, is oriented to service. In other words, the image created in France maintains the commercial strategies developed in its country of origin.
In terms of product supply, as in the United Kingdom, the company offers quality goods sold under its own name, and there are no goods sold under the manufacturer's name. In France, product supply is adapted to the specific features of the local clientele in two ways. On the one hand, product managers in Paris choose the goods they will market in France from the British catalogue, but on the other, they also have the possibility of extending the range of goods through direct purchases.

1.2 Organization

The role of head office in France is more that of monitoring and directing store activity than that of defining commercial policy, since this is done directly from the United Kingdom. With a staff of thirty people, the stocking structures are rather modest relative to the turnover handled. The stores are directly linked to the director of operations, which means that the chain of command is comparatively short.
Conversely, as can be seen from the organizational chart of the Boulevard Haussmann store, the structure within the stores is rather elaborate.
The "fashion" department at the Haussmann store, for example, includes three supervisors, 8 senior saleswomen and 73 saleswomen, most of whom work part-time. Obviously this structure is less heavy in the smaller stores, but the functional services remain the same everywhere.

1.3 Human resources

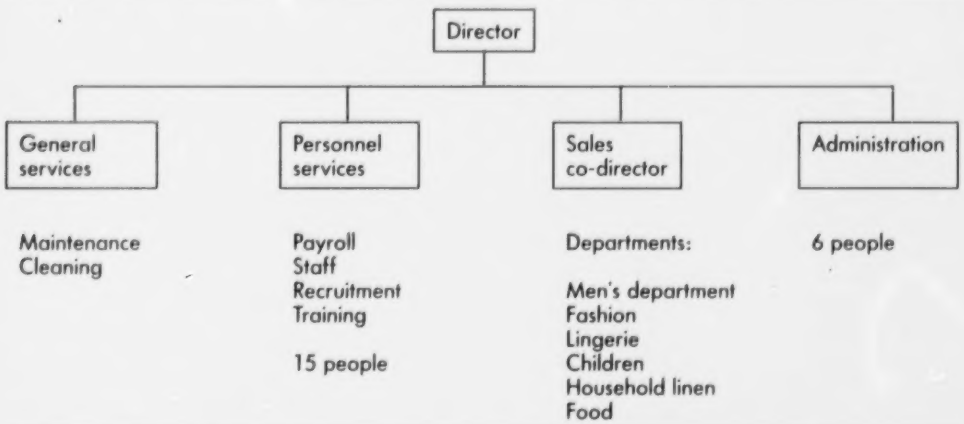
At 31 December 1991, company C had 1,337 employees in France, out of a worldwide total of 74,000. The average staff of a store in the Paris region or in the provinces totals approx. 80. By contrast, the Boulevard Haussmann store alone employs 500 people, which makes it by far the largest unit in terms of workforce. The head office employs 170 people.

Distribution of workforce

- by gender:
  male: 24% female: 76%
- by contract:
  full-time: 51% part-time: 49%
- by occupational group (Haussmann store):
  management: 5%
  supervisors: 8%
  others: 87%
- by age (Haussmann store):

under 20	: 6%	20–25	: 29%
26–35	: 30%	36–45	: 14%
36–55	: 13%	over 55	: 8%

Table 1 - Organizational chart for the Haussmann store



As these figures show, the stores clearly draw on a workforce that is female and young and mainly offers part-time contracts. In 1991, out of a total of 1,054 employees, 590 left, including 168 at the end of a fixed-term contract and 255 resigned. These departures were compensated for by 790 new recruitments, 288 of which were under fixed-term contracts. Even if departures at the end of fixed-term contracts are excluded, (since these can be followed immediately by a new fixed-term recruitment), junior staff turnover is still on the scale of 25% per year. Thus it seems that for this grade of personnel there is a problem of developing loyalty among existing employees and of training new recruits.
In the Boulevard Haussmann store, of the 500 people employed, 191 are full-time and the rest (nearly 60% of the workforce) part-time.

2. Main features of training policy

2.1 Human resources management

• *Organization*

Given the quality image and the existence of a strong company philosophy, the management of human resources is considered a determining factor in the company's economic success. This attitude manifests itself in the fact that each store has a separate personnel department (15 people at the Haussmann store). The human resources department (HRD) at head office is responsible for bringing the French human resources management into line with that of the parent company. It thus serves as a liaison between France and the United Kingdom. It also advises the personnel departments in the different stores and co-ordinates their activities. At operational level, it has direct responsibility (recruitment, training, assessment, development) for management and supervisory personnel because the mobility clauses in their employment contracts presuppose management on a national scale. It also manages human resources at head office.
In the stores, the personnel department monitors the application of instructions coming from the head office and attends to daily personnel issues (remuneration, workforce, training, recruitment).

Work relations

Personnel management in France follows the main lines established in the United Kingdom, however, it enjoys a high degree of autonomy given the need to adapt these to French legislation, which is much more restrictive, particularly in terms of job categories and negotiation. Indeed, the obligation to negotiate with the unions, the respect for collective agreements, and the training requirement are all elements that do not exist as such in the United Kingdom.
The company has four union representatives(1 FO, 2 CFDT and 1 CGT), but only three stores have a trade union. According to the human resources department (HRD), relations with the social partners are very constructive. Their demands revolve essentially around remuneration, the organization of work in the stores, job assignments and personnel management.

• *Goals of human resources management*

The main goal of the HRD is to provide the stores with staff that are trained, competent and integrated into the company. This goal is achieved by means of three activities:

Recruitment

Company C mainly recruits young people who it then trains. This does not mean that someone starts as a young salesperson and advances toward the directorship of a store, but that the different levels in the hierarchy correspond to steps on a career ladder, the beginning and end of which are defined by the level of initial training.
- Thus the company recruits young saleswomen who can subsequently assume the positions of senior saleswoman and then section head.
- The company also recruits young people with two years post-baccalaureat studies who undergo section head training. There are also possibilities for internal promotion. This recruitment path was established rather recently to make up for a certain lack of section heads occasioned by the number and frequency of store openings. The company has since realized that young supervisors do not have a great deal of loyalty and provide significant turnover and, therefore, they have returned to a policy of internal promotion.
- For the posts of department head and director, company C recruits young graduates with four years post-baccalaureat study.

Thus it can be seen that recruitment creates two separate levels in the company: the personnel on the sales floor, from saleswoman to section head, and the supervisory personnel, from department head to store manager. For the latter, careers may also be extended to the head office, but opportunities are limited.
Among the recruitment criteria, the ability to integrate into the company philosophy is essential. A certain ability to conform is indispensable, as shown by the fact that store personnel wear a uniform.
One of the main difficulties faced by the HRD is stabilizing sales personnel in the Paris area. While the turnover in saleswomen is very low in the provinces, it is very hard to retain a part-time saleswoman in Paris; this increases the cost of initial training and diminishes the overall level of professionalism among sales teams.

Personnel management

The weight of a strong company philosophy makes itself felt in personnel management. But this weight ultimately has its benefits as well, for staff and management alike. In exchange for its acceptance of conformity, the staff benefit from numerous advantages, such as a private beauty salon at very low cost, free medical care, a good staff restaurant in every store, a reduced-price pedicure service, etc. The work environment itself is well maintained and the work force sufficiently large so as not to place undue pressure on each employee.
To reinforce internal promotion even more, particularly at the level of senior saleswomen and section heads, the HRD is attempting to mobilize the entire supervisory staff of the stores. All the managers receive training in human resources management, particularly with regard to the assessment interview that allows them to identify potential. They also receive training as instructors so that they will be able to help their subordinates advance. At the same time, the HRD

has established a system of annual assessment interviews giving each employee the opportunity to discuss his or her future and the content of his/her work. Systematic internal posting of job openings has also been introduced to keep employees well informed.
In the stores, staff management is based on versatility. Each saleswomen is called upon alternately for cashiering, sales and restocking (display of merchandise and ordering). In a rather innovative way, there are no cashiers per se; rather, all the saleswomen take turns at the cash register according to the flow of clients. The company believes this versatility to be an important element in motivating personnel, insofar as the variety of tasks reduces the monotony of the work.
In general, one of the main goals of the HRD in the stores is that saleswomen should be able to deal with customers and this means that they must be treated with respect themselves. This is why careful attention is paid to the work environment (restaurant, beauty salon, pedicure, health care), and to information on careers and training.

2.2 Training policy

In an attempt to sustain continuity in human resources management, training policy in France is aimed mainly at staff implementing the organizational and commercial choices of central management and creating mobility within the company so that key posts (store director and section head) are held by experienced employees who are trained in the company's techniques. These two goals are reflected in every element of the training system that we shall now examine.

• *General structure of training*

Most of the training programmes are carried out in the stores by a specialized team. Thus, the head office has only one manager responsible for training, and that person's role is on the one hand to act as an intermediary between the French stores and the training department of the parent company (translation of teaching tools into French, definition of main lines of training) and on the other, to direct and coordinate the training departments of the different stores. This central department also has direct responsibility for the organization of modular training units for all the stores (customer care, individual development, managerial skills, etc.)
In all the stores, even the smallest, the head of personnel is assisted by a training supervisor who is not only responsible for implementing the training programmes conceived at the head office but also for formulating other programmes in response to needs expressed by managers, supervisors or store personnel. Thus, these stores often create their own training materials.
The training system in France is based on three kinds of programmes.

• *Training for promotion*

Everyone who assumes a new position in the hierarchy, whether that person comes from inside or outside the company, undergoes parallel training. This applies to all levels in the hierarchy, from the saleswoman to the store manager and the programmes are specific to each one.

Saleswoman (junior staff)

Each newly hired saleswoman receives three days of initial training. This takes place in the store where she is hired and is given by the training supervisor with materials furnished by the head office and supplemented by the store's training department. Thus, trainees watch several videos concerning the operation of the cash register, store security, the reception of customers or the markdown of merchandise. All saleswomen are trained to operate the cash desk because they take turns in this role. (The job of cashier per se does not exist). All the stores are equipped with a room for cashier training, where there are one or more cash registers; thus, this training takes place directly with the work tool. Soon, a small training guide containing the essential points they should know is to be made available to them. While this training is going on, the new saleswomen are assigned to an experienced saleswoman who is responsible for monitoring their application of the concepts learned and providing supplementary information about the functioning of the store.

Sales supervisor (junior staff)

When a saleswoman is singled out by her supervisors as a potential senior saleswoman, she receives three months of training. This takes place in the store and is run by the supervisor with the help of training guides prepared by the head office. The trainee is given a guide that functions as a check list for the different things to cover and the periods for each (see the example for section head below). The tutor has a procedural guide that contains the formal content of the training to be given. His or her role is thus to teach the work methods developed by head office and to verify that they are well assimilated and gradually put into practice.

Section head (supervisory personnel)

Nearly all the section heads[12] are selected through internal promotion; thus, the people in this position have fairly high seniority. Their training lasts six months and mainly takes place in the store, under the supervision of the department head. As with the senior saleswomen, the main teaching tool is a training guide defining the topics to be addressed in the modules. These include, for example:

Basic operation of the section	
Main lines of the training programme	*1 week*
Sales training for the section in question	*3 weeks*
Operation of stocks and warehouse	*2 weeks*
Operation of administrative departments	*2 weeks*
Preparation of a display	*1 week*
Introduction to the role of section head	
Job content	*12 weeks*
Operation of sales department	*1 week*

[12] The company also trains young people as sales persons and section heads by means of qualification contracts (see Part 1), hoping to integrate them eventually into the Supervisory Team.

Operation of personnel department	*1 week*
Assuming responsibilities in the section	*18 weeks*

Within each module the topics to be discussed are described day by day and assessment exams permit the knowledge of the trainees to be tested at the end of each module. At the end of the training programme, the instructor prepares an assessment report. For the orientation modules, the training department of the store organizes a visit to the different departments.

Department head (manager)
Department heads rarely reach their positions through internal promotion; for posts of this kind, management prefers to recruit young people who can rapidly develop into store managers (the same is true in the United Kingdom). The recruitment level is generally baccalaureat plus four years study and recruits receive 12 months training, 6 of which are carried out in the United Kingdom. This programme is aimed at developing three elements that are deemed essential. First, they have to assimilate the company philosophy and to be integrated, as much as possible, into the values and operation of the group (this is clearly why they are sent to the United Kingdom for 6 months). During this training period, they are asked, for example, to articulate their own vision of the store label and explain how they perceive themselves in relation to the company. Second, they receive sound training as instructors so that at any given time they can instruct staff in the company's work methods. This also enables them to work actively with the store's training supervisors in the design of training tools. Third, they receive manager training throughout their programme (conducting meetings, leadership, oral and written French, communications, etc.).
In France, they work in different store departments (sales, section head, administration), linked to theoretical instruction with a tutor. The material is along the same lines as for section heads, but the content is obviously different. Audio-visual teaching materials are also available for all of these training programmes.
Recently, in order to strengthen the integration of managers into the company, the HRD has developed staff exchanges between France and the United Kingdom; this programme is for managers, for short periods of time (roughly two months). Store managers first receive training to familiarize them with the main cultural differences between the two countries, in order to facilitate the integration of the visiting manager into the host store and to avoid misunderstandings.

• *Classic modular training programmes*
These consist of a series of two- to three-day training courses organized by the training department of the head office in Paris. Several modules are conceived for each category of personnel, from junior staff to managers. In principle, classes for approx. 10 participants are held in the training room at head office, but some modules are organized directly in some stores, particularly the customer care modules. They are facilitated by an outside consultant. The dates and content of the training courses are determined at the beginning of the year by the training department at head office, then communicated to the stores' training departments, who are responsible for the recruitment of staff in each store.
There are three categories of training course (see the appendix for detailed descriptions of each module):

Courses for junior staff

Customer care	Sales methods and Customer contacts Sales module Reception at check-out
Individual development	Personal efficiency Practical life Communication and group work

Courses for supervisory staff

Individual development	Organization and management of time Communication skills Presentation and Facilitation techniques
Management skills	Team facilitation and direction of the team Leadership techniques
Human resources	Recruitment of junior staff Training techniques Conducting training sessions Assessment

Courses for staff representatives

Role and function of staff committee
Role of a member of the workplace conditions committee

For these courses, preference is given to staff members who show potential for advancement, in order to prepare them for the training that accompanies internal promotion. For some time, however, they have also been open to other staff members without that potential in the context of further training and personal fulfilment, in order to strengthen motivation and integration among all the staff.

• *The weekly thirty minutes of training*
With this training formula, imported from the United Kingdom, all store personnel receive 30 minutes training each week. This takes place during working hours at the workplace: one day a week, the store opens to customers thirty minutes later than usual, so that everyone can take part in a training course. We shall examine this training formula in greater detail in the context of the Boulevard Haussmann store.
Whereas previous programmes are included in the statutory statement concerning training expenditure, which amounts to 1.4% of the payroll, these 30

minutes are not included since they are in any case beyond the statutory obligation.

3. In-depth study of the weekly thirty minutes

3.1 Training at the Haussmann store

The personnel department at this store consists of fifteen people, including:

1 head of personnel
1 assistant head of personnel
1 assistant for each of the 6 store departments
1 assistant for the non-sales areas
1 training and staff assistant
1 payroll assistant
1 section head as full-time instructor

The store has two specially equipped classrooms for training, including one set up for cashiers (with 8 cash registers).

The instructors are section heads temporarily reassigned to training (for 2-3 years), who will later return to their posts. The company does not want to have permanent instructors because this would cut them off from the reality of the sales floor.

The store's training department plays a role in each of the company's three training programmes. It organizes and monitors training for internal promotion; it organizes enrolment in modular courses, and it also plays a determining role in the functioning of the weekly thirty minutes. Not only does it facilitate sessions planned by the central office; it is also responsible for developing internal sessions and assisting department heads when they offer training courses department by department.

Instructors also maintain a presence on the sales floor when they are not facilitating courses. This permits them to discuss training needs with junior staff and section heads and to supplement training as a means of extending classroom training to day-to-day practice. Thus they are directly available to reply to the saleswomen's questions when they run into problems. If the problems become frequent or generalized, a training session is developed to remedy them. This was the case, for example, with the placing of notes in the cash-register drawers; an untidy arrangement was complicating the removal of notes. After this was reported several times, the instructor organized a training session for saleswomen on the correct way to put bills away.

3.2 Functioning of 30-minute training sessions

Every Tuesday morning, the store opens at 10 a.m. instead of 9.30 a.m., but the entire staff comes in at the usual time. During these extra thirty minutes, training sessions for staff[13] take place in various forms: staff meetings held in the restaurant, small groups meeting in the training classroom, or in-store sessions organized section by section.

Plenary sessions

These are organized when management wishes to inform staff about general issues concerning the company or commercial objectives, or to transmit information or training that involves everyone (customer reception, preparation of stock-taking, introduction of a new system for cashiering or ordering, etc.). They take place usually in a large room, for instance the dining-room.

While this practice is frequent in the small stores it is no longer applicable for the Haussmann store because of the increased number of staff since its expansion. As a result, even training that affects all the personnel is carried out in small groups in the training room. Management or the head office prepares the materials, and these are presented to each group by the instructors (e.g., a video of the group president's end-of-year speech, transparencies on the preparation of the inventory, videos on make-up for saleswomen or the care of uniforms, visits to new installations in the store, sessions for discussions with employees or a session to explain the content of the pay slip).

Small group sessions in the training room

Each training room holds about thirty people. The training department organizes and directs sessions for each group. The topics and materials may be provided by head office or the store. Depending on the topic, training can last for several weeks (3 weeks on stock-taking, 2 weeks on customer reception). In fact, the training department came to realize that with the increase in staff size and part-time work, the thirty minutes on Tuesday morning affected only eighty people in the store, out of a total of five hundred. As a result, in order to reach greater numbers, it organized extra sessions during the day. These now include four sessions a day, Tuesday to Friday, during which the same topic is repeated throughout the week. In each section, the section head is responsible for organising a staff rota so that by Friday evening, everyone, section head included, has been to the training session. These complementary sessions take place during working hours for the entire staff. Thanks to this new system, training courses now affect 160 people a week, which, taking into account holidays, absences and the inevitable resistance, represents a satisfactory proportion of staff.

Since the beginning of the year, the following sessions have been organized:

- preparation of stock-taking, via visual and practical applications, plus direct assistance on-site during stock-taking (3 sessions);
- re-call procedures for discounted goods (sale items) (1 session);
- employee communication skills (1 session);
- awareness campaign on behaviour towards customers, known as SBAM (sourire, bonjour, au revoir, merci, meaning "smile, hello, goodbye, thank you") (3 sessions).

[13] This training programme is not only for sales staff, but also administrative and back office staff. For instance, it is also open to the staff in the company restaurant.

This campaign was directly organized by the store's training department, but the initiative came from head office in the United Kingdom. Although the issue is raised every year, this training course was specially developed in France and there were no existing materials. Thus, on the basis of directives from head office concerning the basic message, the training department created its own media. The goal was to come up with interesting materials that would not put staff off and lead to rejection of training. The following strategies were developed:

- store-wide poster campaign in a humorous vein ("We all 'SBAM'!");
- one game session around the identification of the key words in the campaign (smile, hello, goodbye, thank you). Showing of video on courtesy in the fitting rooms;
- one game session called "Find the mistake!" (between sections that "SBAM" and sections that don't "SBAM"). Showing of video on courtesy at the check-out.

The training department is scheduled to organize a session on bedding conducted by a supplier. This will be directed at all the personnel, with a more technical session to follow for the bedding department.
In general, the training department attempts to generate sessions during which the trainer draws on the creativity of the participants. No one imposes a solution or a standard behaviour on them, but rather, they are led to discover it themselves through the information provided. This is an inter-active training method.

Small group sessions in the sections
During the thirty minutes of training, the section heads have the possibility of training their group around a particular topic that only applies to that section (displaying the lines, comments on section sales, operational problems, etc.). The heads of the training department occasionally collaborate on the development of teaching tools that will subsequently be used by the section heads. For the clothing sections, for example, training had been developed on the cleaning symbols so that saleswomen might easily inform their customers on the care of garments.
With the development of complementary sessions during the week, the thirty minutes on Tuesday morning are increasingly devoted to training in the sections. The trend seems to be moving toward two sessions a week for each employee: the Tuesday morning session run by the section head, and the weekly one run by the instructor. Thus, employees whose schedules permit them to be present Tuesday morning have one hour of training a week when the two sessions do not address the same issue.

3.3 Assessment of 30-minute training sessions

The heads of training in the store do not directly assess the results of the sessions; rather, it is left to the section head to assess the progress made by his staff on the sales floor and to think about ways to advance things still further. This is why the section heads are involved as much as possible in the identification of training needs and the development of teaching tools.
Assessment is also made by the instructors: while they are in the store, they try to identify the difficulties encountered by the staff and work procedures that have not yet been assimilated. Here too, the assessment is interactive.
In exceptional cases, for programmes that head office considers strategic, assessment takes the form of written reports. This was the case, for example, for the "SBAM" campaign.
Among junior staff, meanwhile, the sessions held in the training classroom and during the week have been very well received because this lets them go outside their section and meet staff from other sections. Before, the thirty minutes often took place within the section and were led by the section heads. In the classroom, the facilitator is someone else, and they feel freer to exchange ideas and express themselves. The success of this training is demonstrated by the fact that the staff members are now starting to propose training topics themselves and to request reviews of sessions that were not well assimilated.

3.4 Assessment of programme transferability

Two aspects of this training system seem particularly noteworthy to us. On the one hand, there are the efforts of the different departments in the head office and the store aimed at implementing work procedures and methods, and on the other, the system of the thirty minutes a week.

Genuine study of work procedures
Within the retail sector in France, it is quite rare to find companies that have studied the implementation of tried-and-tested work procedures and methods. Thus French companies often have great difficulty in gaining a footing in the high quality market segment, first, because they do not make the effort to arrive at a precise definition of the content of the quality they seek to offer their customers (reception, information, choice, intrinsic quality of goods, display, general appearance of store, etc.), and second, because they do not think about the means that are necessary for achieving it. Telling section heads to make sure their personnel are polite to customers is not creating quality.
At company C, by contrast, every decision on the level of commercial strategy is followed by the development of a custom teaching tool for training all staff members in the new work method. With each change of strategy or procedure, new tools are created, and ultimately this leads to a solid library of teaching materials. Such a library is very useful for the training of new employees because it provides them with the tools for learning their new trade, thus facilitating considerably the tutor's task and improving the efficiency of the training. Giving department heads clear teaching tools not only allows them to grasp training more easily but provides them with a basis for reflection on improving work methods on the sales floor.

The thirty minutes of training
This system strikes us as particularly interesting for several reasons. First, such frequent training ses-

sions, and above all, such eclecticism in its dissemination, makes training a part of working life rather than, as is often the case, an exceptional event tied to promotion from one level to another. All staff members respond to the training and develop in the direction desired by the head office. Second, the fact that section heads are involved in developing and facilitating training sessions tends to create an atmosphere of continual searching for improved working methods and procedures.
This kind of training also constitutes a real financial contribution from the company, it is the undeniable proof of management's recognition of the necessity to increase the professionalism of each staff member.

3.5 Summary of key points

Work procedures are at the heart of all training programmes which are interrelated in such a way so as to ensure a deeper understanding of all procedures. It is therefore possible to talk about a global approach to training.

The study of training requirements is conducted in each store by the instructors, who can then develop ad hoc tools in the framework of the 30 minutes session. Thanks to this system some training is provided for all the staff.
Individual needs are not taken into account, as the main objective is to achieve some harmonization of knowledge and of practices.
It is difficult to measure the training effort since the company does not record the costs of activities beyond the statutory 1.4% obligation (such as the 30 minutes).
The training value is only assessed in the case of some modules; it is not done on a systematic basis.

2.

Training guide

- Role of the tutor
- Use of the guide
- Description of the role of the section head
- Data sheet of the training store

Introduction
- Main features of the training programme
- Introduction to the store — *1 week*
- Questions – tests

Phase 1: Basic functioning of a clothing section
- Assigned to a clothing salesperson
- Questions – tests — *3 weeks*
- Assigned to stocks – warehouse
- Questions – tests — *2 weeks*
- Assigned to administrative service
- Questions – tests — *2 weeks*
- Assigned to display
- Questions – tests — *1 week*

Phase 2: Introduction to the role of the section head
- Assigned to the section head — *12 weeks*
- Questions – tests
- Assigned to a foods salesperson — *2 weeks*
- Assigned to commercial department — *1 week*
- Assigned to personnel department — *1 week*
- Questions – tests
- Responsibilities of a clothing section — *18 weeks*
- Assessment report
- Terms
- Services in Caumartin
- Index of the training guide

Use of the guide
This guide is a work tool for the section head and his tutor. It covers all aspects of the training programme and can be used to assess the progress made during each training section in order to identify the points requiring special attention.
The trainee will be encouraged to assume responsibility for his own individual development and for the sound assessment of his technical know-how, aided by the goals fixed with his tutor.

• Content
It is up to the trainee and his tutor to allocate the time necessary for each stage depending on the individual needs and goals fixed.
It is important for the trainee to reach a sound level of knowledge and performance as the future team head at the end of each section of the programme.
At the end of each training phase, the tutor and the trainee have to assess the know-how acquired in order to ensure that the goals have been achieved.

• Form
In order to familiarize him/herself with the work environment the trainee:
- has to fill in the data sheet of the training store.
- To facilitate his search for information, the trainee can:
  - refer to the colour bands at the bottom of each page corresponding to each training stage
  - consult the training material.
- has to assess his know-how by:
  - marking with a cross the boxes which cover each point to be considered
  - answering the test questions formulated at the end of each training stage

Table 2 – Data sheet of the training store

To be filled in by the trainee on his arrival in the company

Address: _____

Tel: _____

Area: _____

• *Commercial*
Director: _____
Deputy director _____
Department head _____
Section heads textiles _____
Food _____

• *Personnel*
Director _____
Assistant to the director _____
Administrative assistant _____
Responsible officer, restaurant _____

• *Administrative service*
Head of the administrative service _____
Assistant to the administrative service _____

• *General services*
Head of general services _____
Store manager _____
depending on the size of the store

Introduction to the store
Length: 1 Week

Goals:
- understanding the role of each service within the store
- grasping the importance of the links between the different services.

Points to be covered:

1st day
- Informal discussions with the male and female personnel heads
- Presentation to the management team: managers and supervisors
- Presentation to the tutor
- Presentation of the company
- Presentation of the training programme
- Internal rules

Assigned to the section head:
- Presentation to the team
- Role of the section head
- Functioning of the section

2nd day Assigned to the head of general services
- Role
- Functioning of stocks

Table 3 - Main areas in the training programme

Number of weeks	Points to be covered	Training – visits
1	Introduction to the store	
3	Assigned to salesperson - clothing	Visit to Aulnay or Evry
2	Assigned to stocks - warehouse	
2	Assigned to administrative service	
1	Assigned to display	Course: Supervision 1 (introduction to the role of section head)
12	Assigned to section head	Course: Supervision II (managing a clothing section)
2	Assigned to a foods salesperson	
1	Assigned to commercial service	
1	Assigned to personnel service	
18	Responsibilities of a clothing section Assigned to merchandizing	Course: Supervision III (introduction to training) Caumartin

3rd day Assigned to the head of the administrative service
- Role
- Functioning of the administrative office
- Introduction to EPOS

4th day Assigned to the commercial direction
- Role of the deputy director/department head
- Customer service
- Stock management

5th day Assigned to the personnel department
- Role
- Functioning of the personnel department
- Human relations policy at M & S

Questions – Tests
- How does the management team communicate within the store?
- What is the role of the section head as a member of the management team?
- Why is it important to maintain good relations with the salesfloor and stock staff?
- What kind of information does the commercial management team require from the section head?
- Why does the head of personnel spend some of her time on the salesfloor?
- What does the head of the administrative service have to deal with in the course of the day?

Assignment to clothing saleswoman
Duration : 3 Weeks

Goals:
- to understand and implement the customer care policy of M & S
- to come to understand the role of the salesperson
- to be familiar with the products.

Points to be covered:

Customer care
- *Before sale*
  - knowledge of the product (ranges, prices)
  - understanding of the "M & S quality" concept – production cycle of the products.
  - understanding size labels, material and maintenance advice
- *During sale*
  attitude to the client
  - approaching the customer in the section
  - advising the client
  - sales arguments
  - sale of additional articles and replacement
  - sales techiques in changing rooms
  - reception of client at check-out
  - skills at the check-out
  - reception of client on the telephone
- *After sale*
  - reservations (G7)
  - complaints
  - exchanges
  - refunds
  - taxes, invoices, foreign currency
  - gift vouchers

Stocks
- *Knowledge of the merchandise*
  Availability
  - Sales and stock report (SSR)
  - Size details report
  - Stroke colour report
  - Summary of distribution

CASE STUDY NO. 4

2.

1. General description of the company

1.1 Activity

This company operates 52 supermarkets in northern France. These stores have a clear food orientation and seek to distinguish themselves from their competitors on the basis of quality. The size of the stores ranges from 1,200 to 2,500 square metres; thus these are large supermarkets, mainly located in urban areas, in city centres or on the outskirts of large cities. They offer up to 10,000 products.
The company has a turnover of over FF 3 billion; more than 55% of this comes from the sale of fresh products[14], with the remainder divided between consumer goods and general merchandise. Its position is "quality" based on five marketing concepts:

- quality of sites for local business;
- quality of store appearance (architecture, decoration, cleanliness, customer information);
- quality of choice of merchandise, freshness;
- quality of organization of logistics to guarantee product freshness;
- quality of customer relations.

The idea is thus to offer the supermarket's customers services resembling those associated with traditional merchants, but at much better prices. Thus, the store label does not pretend to offer customers the lowest prices and even seeks to distinguish itself as much as possible from discount supermarkets[15]. This marketing policy is very risky, given that most of the stores in France that have adopted it have encountered serious difficulties. Indeed, a customer who is conscious of paying more than in another store becomes very demanding in terms of quality, and the smallest shortcoming can be fatal. Service must therefore be absolutely flawless.

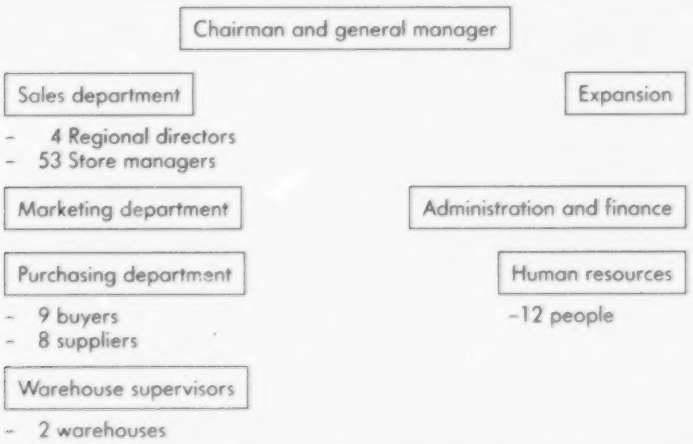
1.2 History

The company was created in northern France at the beginning of the century and very rapidly grew to include 100 traditional food outlets. By 1938 there were more than 500 outlets. The first self-service store was opened in 1958, and the first supermarket quickly followed in 1960.
In 1990, the company was taken over by a large multi-interest group that already owned a chain of hypermarkets and supermarkets. All of the group's supermarkets were combined into a federation, and all the stores assumed the same, new store label. In all, the federation of supermarkets to which the company under consideration belongs includes 150 stores located in the north and the east of France. Its total turnover is more than FF7 billion. The quality image is found throughout the whole of the federation's stores, but it appears that the northern region is more advanced in actually implementing commercial concepts.

1.3 Organization

As a chain, this company is centralized in its organization. The stores have no autonomy in terms of stock purchases or financial management. The head office decides on ranges, negotiates conditions of purchase with suppliers and presents store directors with a catalogue from which the latter choose their goods in relation to certain constraints (required and optional goods). This possibility of selecting certain items reflects a relatively recent desire to relax operating principles in order to give store management more scope for initiative.
The central departments, headed by the general manager, play a large role in the determination of commercial policy and in organizational choices; this leaves the store personnel with the main task of

Table 1 - Organizational Chart



[14] Fruit and vegetables, bakery, sausage products, meat and poultry, frozen foods, fresh dairy products, flowers and plants.

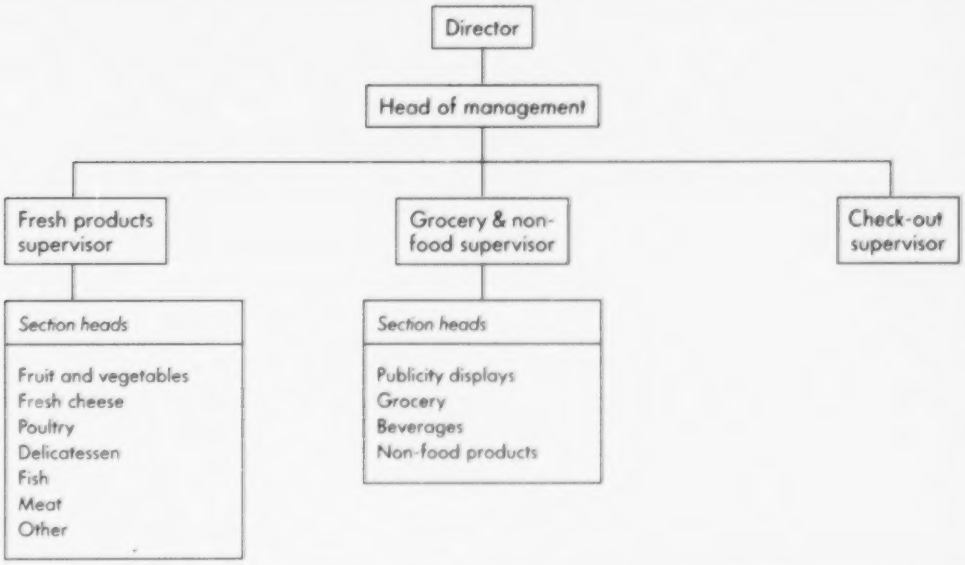
[15] The stores offer 1,000 competitively priced and high quality private labels.

carrying out the instructions of the head office and assuring that staff implement them effectively.
Recently, however, the central departments have begun to consult the stores on a regular basis before taking decisions. Thus, interactive management is in the process of being instituted, with growing involvement of store managers. Study groups that include store managers, section heads and heads of central departments are created one at a time to consider certain topics and make recommendations to the management board. In other words, there is a centralized structure, but one that remains receptive to the stores, and through them, to the customers. To some extent, customers are also consulted directly through the "consumers' clubs" in each store, which bring together store management and a group of customers. The management of the company is thus beginning to place emphasis on the flow of information in order to avoid the negative effects of centralization. We shall come back to this interactive aspect in the development and operation of the training system.
All the stores follow the same architectural principles and interior design. The fruit and vegetables section is located at the front of the store, along with the bakery; the other "fresh products" sections are distributed throughout the store. The consumer goods and non-food sections are located in the centre of the store. This spatial organization reflects the centrality of the "fresh products" section in the company's commercial policy.
Organization charts vary according to store size. This one reflects a large store (more than 2,000 square metres); in smaller ones, there are often no department supervisors. The administration departments remain very small; this can be explained by the centralization of all the administrative and managerial functions at head office. The main responsibilities of the store manager are to guide the staff and monitor the application of sales instructions.
Merchandise flows are processed through two warehouses, one of 10,000 square meters for fresh products and one of 35,000 square metres for grocery items. Fish, meat and poultry, and frozen foods are handled by specialized units, often subcontracted. To guarantee product freshness, stores receive goods the day after the order is placed, which is effectively every day. The orders are processed by computer in the evening, and deliveries are prepared in the warehouse overnight for transport to the stores early the next morning. For certain goods, stores can place orders in the morning for delivery in the early afternoon.

1.4 Human resources

The federation of supermarkets employs a total of 7,200 people, 3,600 of whom work in the northern region company. This company employs 2,600 people in the 50 stores and 1,000 people divided between head office and the warehouses. In all, there are 100 managers, including 52 store managers and 8 executive board members.

Table 2 – Organizational chart for a store



In the stores, 60% of the work force is female and 33% work part-time with contracts averaging 25 hours a week (not including overtime). There are on average 55 people per store, but in fact, this varies between 30 and 120 people depending on the size of the store.

The staff are divided into five job levels:
- Unskilled employee
- Skilled employee
- Highly-skilled employee
- Supervisor
- Manager

In practice, there are very few supervisors[16] because section heads are "highly skilled employees" and store directors are "managers".
While there are several categories of junior staff, each salesperson has responsibility for an entire job, which is generally managing part of the section. Thus, each salesperson should know how to fill out an order book, place orders, receive deliveries, fill the shelves, present the lines and advise customers. To reinforce each employee's sales role, they have very untypical hours for the sector, in the sense that stocking of shelves takes place during business hours. Thus, instead of coming in at 5.00 a.m. to stock shelves before the store opens, employees arrive at 9.00 a.m. In this way, they are in constant contact with customers, which allows them to play a genuine sales role. Personnel management in the stores is thus based on principles of versatility and customer service. But it is clear that such versatility presupposes major efforts on the part of the company to train each employee in different techniques.

2. Main features of training policy

2.1 Human resources management

The main goal of human resources management is to allow the company to keep pace with an increasingly competitive environment, and all the more so given the decision to set itself apart on the basis of quality. As has already been seen, a company that bases its image on quality, and advertises accordingly, creates strong expectations among customers. As a result, all the personnel must be totally involved in the implementation of this commercial choice.
The human resources department (HRD) thus attempts to familiarize the staff with a quality approach and train them accordingly. This presupposes training courses on techniques, behaviour, and work methods. But all these training efforts would be useless without staff rotation to permit the accumulation of know-how and experience. The HRD must therefore attempt to develop staff loyalty and encourage internal promotion so that the managerial staff will identify itself strongly with the company philosophy.
In view of these two goals, the HRD has initiated several activities:

- first, in order to involve staff in the pursuit of a quality image and skill enhancement, it works to instill an interactive management style in the company so that all staff members participate in both strategic and daily decisions;

- second, it attempts to set up genuinely forward job management intended to favour internal mobility, with managers more closely involved in the identification and development of staff potential;

- third, it has undertaken an ambitious programme to renew and revitalize the training system. This process itself is based on the interactive mode, with managers becoming both programme designers and training instructors.

Interactive management
With the aim of mobilizing staff around the commercial strategy of quality and professionalism, the HRD aims to develop an interactive management style throughout the company. In order to involve staff, it is considered essential to have them participate in decision-making and to introduce strategic tools.

Several work groups are already in operation.
- In the context of setting up a system of forward job management, a group of employees has spent several months studying job definitions. The result of their work will serve as a reference for the whole area of human resources management.

- Group activity bringing together section heads, store managers and marketing heads from head office allows store staff to participate in the elaboration of main commercial decisions (choice of lines, negotiation of goods, commercial policy, etc.).

- The new training programmes are also conceived directly by store managers. With the aid of an instructor, they themselves identify training needs, define teaching content, develop the tools and train those who will provide the training. Later, we will examine the contents of one of these new programmes in greater detail.

In general, the HRD tries to spread interactive management throughout the company, and staff committees are beginning to emerge to study particular topics and present suggestions to the executive board. The HRD's efforts do not seem in vain: the company has just been awarded the prize for "Quality of Social Dialogue in Continuing Vocational Training" by the Northern Regional Council. However, there are no visual signs of any real implementation of this interactive management within the stores.

Forward job management
The HRD seems to be fully aware of the fact that all the efforts undertaken to increase professionalism amongst staff would be useless if staff turnover were too great to permit the accumulation of know-how and experience. If a system based on professionalism and adherence to the company's commercial objectives is to work, the managerial staff must have solid experience on the floor and be accepted there. With the development of part-time work, however, it becomes more and more difficult to promote loyalty and motivate sales staff. Like most companies in the sector, it has difficulty moving sales staff toward the position of section head. These difficulties are above all due to the fact that most sales positions are held by women (60%) on part-time contracts. As a result, these are often women whose wages only provide secondary income to the household, and thus they are not always interested in promotion that entails consid-

[16] Often, the head butcher is the supervisor.

erably longer working hours (an average of 25 for a junior member of staff vs. 45 for a section head). In addition, for reasons of flexibility, the company requires section heads to be mobile, which is often difficult for married women. To cope with this situation, the HRD tries to persuade store managers to gradually extend part-time hours to thirty a week. At the same time, the company is having difficulty keeping section heads and recruiting experienced managers from outside. The HRD would also like the heads of the head office to come from the stores, in order to make the company more coherent and also to avoid having to recruit higher education graduates (baccalaureat + 4 years higher education) to whom the company, because of its small scale, cannot offer a satisfying career.
Given these constraints, the HRD has developed a system of forward job management to generate loyalty among workers and encourage internal promotion. This system is being developed around several points:

- creation of staff groups to define functions and thus create references in a job grid. This definition goes beyond the tasks carried out and mentions possible changes in the job, its overall goal, its role in the company, etc;

- implementation of an in-house advertising system for all vacancies so that everyone has a chance to apply;

- training of managerial staff in the annual assessment interviews and how to set them up. Following such an interview, a form is completed by the manager and the employee (who can thus express him/herself freely) and then passed on to the HRD;

- setting up of a computerized system of forward job management to handle all the information received;

- gradual decentralization of certain HRD functions to store managers. In this context, they receive training in the recruitment of sales women and there is an attempt to familiarize them with forward job management within their stores (anticipation of manpower needs, sales jobs proposed first to cashiers, etc.).

Revitalizing the training system
The store label's commercial image and the increase in competition forces the company to raise the level of professionalism among its staff, especially its managers. As a result, the HRD must attempt to set up an appropriate training structure. It has thus developed activities on two levels: first, alternance training for young people who are to become section heads and second, revitalization of the continuing training system to make it more effective. These points will be developed in greater detail in later sections devoted to the in-depth study of the training system.
In general, the company's management recognizes the fact that its quality image requires efforts to ensure that stores are adequately staffed and that personnel are well-trained. Thus, in relation to the whole of the sector, this company has a higher payroll, due more to a larger number of workers than higher rates of pay. At the same time, training expenditure accounts for more than 4% of the payroll, which is clearly higher than the average for companies in the sector. Thus there is a real investment in human resources. The company uses its training funds directly and does not go through the intermediary of a Training Insurance Fund (FAF) because it wants to maintain full control over the use to which its training expenditure is put.

2.2 Training as a factor in the company's success

The company's basic goal is thus to develop staff professionalism, and to this end it has instituted a training system that serves three purposes:
- to integrate new recruits, and especially young section heads, efficiently;
- to improve the skills of each staff member;
- to allow the company to fill management posts through internal promotion.

From the HRD's viewpoint, the only way to reach all staff members, in every store, is to turn each section head into a training instructor. It is thus trying to implement a system of self-perpetuating training, whereby the main efforts for classroom training are aimed at managers and section heads, with each section head responsible for transmitting this training to the sales staff. The modules attended by the sales staff would then supplement rather than duplicate the training provided by their superiors. According to the HRD, this constitutes a real campaign to upgrade the positions of section head and store manager by giving them new responsibilities. This general aim will be seen again in the experimental training programme for the "fruit and vegetable" section.
The main didactic tool is the pilot section to which trainees come for varying periods of time depending on the subject. In general, the whole training system is built around the concept of the section. The head of the pilot section has a training guide equipped with a schedule, list of topics, technical information cards (some of which are given to the trainee as handouts) and assessment sheets. This training guide is called "The Bible". The section head/instructor adapts training content case by case to the profile of the trainee and the amount of time available for training.
Generally, the training department also tries to limit as much as possible recourse to outside agencies; rather, they hope to develop training by internal instructors, although this does not exclude the development of teaching tools in collaboration with specialized consultants. Thus, it can be seen that what is essential in this training system is the transmission of the work methods particular to the company. But this presupposes that such methods are clearly defined and recognized; it is precisely this effort that was carried out in the context of the "fruit and vegetable section" training that we will study in greater detail.

Initial training of new recruits
Every new recruit (at sales or section level) begins with an orientation period in a store. His or her superior then puts together a personalized training plan in terms of the post occupied and the individual

profile. The new salesperson is then systematically sent to a pilot section for about six weeks. This training is carried out by the pilot section supervisor in the form of theoretical instruction for one or two hours every morning followed by immediate practical application in the section for the rest of the day. The instructor has a very detailed training guide to be followed on a daily basis. This guide is divided into three modules:

knowledge of the product;
following the product through the store.
following a product's route from delivery to checkout.

In this module, for example, one day is devoted to receiving merchandise. For one classroom hour, the instructor shows the trainee the main rules for reception and gives him/her a brief handout. That evening the instructor verifies through a discussion with the trainee that the main points have been well absorbed. The next day, the trainee attends to a delivery in the presence of the supervisor.

Management of the section

Profitability, staff supervision, placing orders, use of computer equipment. This training often extends beyond the salesperson's responsibilities, but the company wants every salesperson to have a comprehensive view of the section in order to be able to take over at any level if necessary. In addition, the company is also seeking to upgrade the sales function through versatility. This training also allows each salesperson to assume a complete task with a view to promotion.

Assessment

The last week of training is reserved for assessment of the knowledge acquired. The instructor gives the trainee tasks to accomplish and then they assess the results together.

Throughout the entire period of training in the pilot section the salesperson is paid by the store that hired him or her.

Alternance training

The company provides several levels of alternance training for the integration of young people.

- 10 long-term unemployed workers came into the company for a training course on re-entry into the labour market. After three months' training in the store (500 training hours), as cashier or salesperson, eight were hired by the company.

- 10 apprentices are preparing their CAP (certificate of vocational aptitude), in the regular sections, to become skilled employees.

- 22 students preparing the professional baccalaureat in commerce and services are trainees in the stores. They are assigned to a tutor, usually the section supervisor. At present, these tutors do not receive special training, but this is envisaged in the near future. Professional baccalaureat-holders enter the company as assistant section heads at the end of their training.

- 11 students are preparing their advanced technician's diploma (BTS) (baccalaureat + 2 years higher studies) at an alternance training programme at a technical university (IUP) in retail management. This training leads to a section head post.

- 10 young people are currently on qualification contracts after completing their BTS in commerce; this training also leads to a section head post. Young people hired at the BTS level should become store managers in five years.

In contrast to what happens in many companies in the sector, these young people remain with the company after their training is completed. However, even those with three years post-baccalaureat higher studies are only hired as highly-skilled employees and not as supervisors or managers, as is the case in many other companies. According to the HRD, this is due first of all to the choice of student profiles, and second, to the seriousness of the agency that provides theoretical instruction. The content of the courses must be adapted to the real content of the posts held, and the company does not hesitate to participate directly in the development of the programmes with some of these agencies. The prospect of quickly becoming a store manager also attracts many young people, because the pay is quite good at that level (FF 12,000-9,000 a month).

Continuing training by modules

Continuing training modules are also organized to improve sales assistants' knowledge of their products. This involves a few days of training during the year or a few days a month for the more specialized sections, e.g. the wine section.

- The salesperson in the wine section undergoes training in oenology with two-day refresher courses every month. This training is provided by the buyer, who is a top specialist able to cover every aspect of wines (history, geography, basic chemistry, etc.).
- Training for perfume and beauty counsellors is also given to the saleswomen in this section, because it is felt that very sophisticated products are now sold in the supermarket and the customer may need advice. This training is provided by the supplier (L'Oreal).
- Every year, all the seafood section staff are sent to a fish processing plant in Boulogne for two days in order to observe how fish is prepared and shipped.

There are many other further training modules, especially for meat (cutting techniques), the cheese section (tasting and geography), etc.

Participation of the social partners

The HRD considers its relations with the company unions to be good, but where training is concerned, it adheres to the regulations calling for a yearly presentation of the training programme to the staff committee. Management feels that, in any case, training has become such a complex, strategic issue that staff representatives are not sufficiently qualified to discuss it or even be involved in the development of programmes.

Moreover, staff representatives would not really have any demands in terms of training. This year, they simply asked that the company provide more information to staff about individual training leave.
From the union viewpoint, it is felt that there is a problem of skills/know-how among union delegates, since the present delegates do not have the necessary knowledge to discuss training in detail. It is also felt that management does not do anything to encourage the introduction of a new union that is more "modern" or to allow current delegates to undergo training. In addition, management presents the training plan to the staff committee in such a general way that no real discussion can take place.
On a more general level, however, the unions recognize that this company has set up a training system that really takes staff into account and does not limit itself to training management and supervisory personnel (each year, one third of the sales staff attends training courses). Furthermore, a real effort is made to develop versatility and encourage staff responsibility, which translates mainly into a staff turnover rate that is clearly lower than the average for the sector (11% vs. 24%).

3. In-depth study of training for the "fruit and vegetables" section

3.1 General structure

This is an experimental programme intended to incorporate all of the HRD's new directions in training i.e.:

- in the context of interactive management, store managers had to be involved in the development of training;
- to develop a truly effective tool, it was necessary to consider beforehand the content of the know-how to be transmitted;
- to be sure of developing training that corresponds well to the needs of the company and its philosophy, recourse to outside experts had to be limited, at both the development and dissemination stages;
- to institute the process of multiplication, it was necessary to use the store supervisors as training vectors;
- to guarantee the success of the training, all the heads of the produce section had to be familiarized, as well as the store managers. It was also necessary to be able to reach all staff members, in all the stores.

The first step of the project consisted of setting up a group composed of store managers with produce section experience, section heads, the head office buyer, the contact person with suppliers and the head of the training department who acted as group facilitator. This group, totalling 12 people, met one day per fortnight for six months in order to develop the training content, define training goals, and determine the main messages to be transmitted.
Subgroups of three or four people visited the stores to determine for themselves the needs and problems encountered in the operation of the section. This observation period lasted two months. Afterwards, several topics for further study were selected and distributed among the subgroups. Each subgroup then presented its work to the entire group for discussion and approval. The subgroups sometimes called on food processing experts for viable solutions to certain problems, particularly concerning preservation of goods. The group was then able to develop the training content and tools. Thus, a video was made to serve as a general introduction to running a produce section; this was filmed in the store during a four-day period. Complementary videos dealing with particular subjects in greater depth were also made and the group developed a leaflet summarizing the main points of the training, exercise sheets and small guides dealing with specific topics.
The group subsequently presented the results of its work to the board of management for approval. After this first approval, the teaching tools were presented to all the store managers for their approval and to familiarize them with the training in general and its content in particular. This presentation took the form of a one-day plenary session.
A two-day information session was then organized for all the section heads in order to acquaint them with the training content. These sessions were organized region by region and included ten to twelve section heads.
During these presentations, the initial group identified store managers and section heads who seemed particularly interested in this training and proposed that they become training instructors. Some members of the group also decided to become instructors themselves. In all, then, a group of twelve instructors was set up to disseminate this training among sales staff in all the stores.
Training instructors then began organizing training units of three non-consecutive days conducted region by region in groups of twelve people (1-2 people from 6 stores) including both salespeople and supervisors.

3.2 Operation of training

Training is organized in a store equipped with a classroom and audiovisual equipment. The produce manager of this store is individually trained ahead of time by the instructor in the new work methods. At the beginning of the day, the instructor presents the video and explains the different steps in the process. Then the team goes to the section for an immediate practical application. That evening, a discussion of each person's reactions allows for an assessment of the training impact. Each trainee then returns to his store for a week to apply what he has learned. The following week the problems encountered during this application period are brought up and new topics introduced.
The instructor has a video cassette containing four training sequences:

- General introduction to the section "fruit and vegetables";
- in-depth presentation on products;
- in-depth presentation on flow management;
- in-depth presentation on team management.

The first sequence raises the following issues:

- shelf display;
- shelf upkeep (cleanliness and display);
- reception of customers (sales and advice);
- placing orders;
- receiving merchandise (check-in, unloading, storage);

- stocking shelves (checking sell-by dates, rules for arranging goods on shelves, pricing sections).

The videos use store personnel to demonstrate proper work methods, with close-ups on important points (turning off the light in the cold room before leaving, making displays with alternating colours of products, removing damaged goods, not placing goods under the cold source in the refrigerator case, etc.).

To help instructors, little STOP signs appear at strategic moments, indicating that the tape should be stopped to make sure the trainees have understood the message. The instructor then gives additional explanations, shows the video again, or carries out a test exercise. Trainees leave the session with their notes, the exercise sheets and a handout that summarizes the main points (see appendix for example).

3.3 Training assessment

As a follow-up to this special product training, a member of the experimental study group regularly visits the stores to assess the results of this training and discuss with the trainees the problems they encounter. In this way adaptations can be made to ensure the effectiveness of the training programme.

In general, the company seems to pay a great deal of attention to the assessment of training courses. At the end of each module, trainees are supposed to complete an assessment sheet, which serves first of all to measure the impact of the training, but also to collect their remarks in order to make improvements to the content or the tools used. In this way, the company hopes to avoid getting bogged down in overly static procedures. Training instructors regularly meet with section heads to discuss modifications. This concern comes from the fact that training was previously conducted by specialized instructors circulating among the different stores, and management realized that, after several years of this process, the instructors had completely lost contact with the sales floor and were passing on unsuitable know-how. These instructors were removed, training entrusted to section heads and the courses regularly reviewed by a group of the managers involved.

In addition, trainees are given self-assessment sheets that permit them to determine what they have retained from the training at any given moment.

The impact of this training on real staff behaviour at work is two-fold. First of all, because of its interactive nature, it has played a role in training the developers and instructors themselves. Secondly, it has contributed to considerable changes in the behaviour of each staff member trained.

Indeed, the participants in the first group recognized that having to think about the way their section functions led them to ask a whole series of questions that had never occurred to them before. In addition, many of them discovered problems that they were unable to resolve, and thus were obliged to look for solutions outside the company. The fact of having created the training tools themselves, in collaboration with specialists, was also a learning experience for them (training in the development of teaching tools). The training instructors are section heads who were therefore able to grasp concretely the difficulty of facilitating training sessions (training in facilitating training sessions). Thus it can be said that this experimental training played a major role in training the managers who participated in it.

We have also been able to determine in the field that sales staff who received this training no long view their occupation in the same way. "Before, there were lots of details that you didn't think about, but that's not the case any more. Take, for example, [the fact that] nobody forgets to turn out the light before leaving the cold room; everybody's memorized it." "Before, we did things badly without realizing it; we thought we knew everything. Now, we realize that there's a lot to learn." In other words, sales staff have not only absorbed work methods well but, and this is certainly more important, they have become conscious of the need to develop their knowledge of the life of the produce section. A certain curiosity has now taken over: some employees have already asked to attend specialized training modules. In fact, the most important thing now is for the section heads to profit from the movement that training has created in order to encourage further thought and training within the section itself. In our view, the very fact that certain employees recognize that they are more comfortable in their work as a result of the training is a sign of a very positive impact.

Assessment by the social partners

The unions feel that there is a good match between the company's commercial stance, which stresses traditional fresh products, and the very extensive product training of the staff. On the other hand, they are more reserved about the training for customer reception. Although the company promotes the image of being a local store, the sales staff and especially the cashiers, have no training in customer relations, particularly for dealing with complaints.

The unions also feel that although the interactive management style applied to training is a very good thing, especially for the study groups, it can sometimes lead to the loss of contributions from outside specialists and new ideas. They fear that by limiting discussion to the inside, the company may go round in circles and cease to develop. The unions therefore recommend more systematic recourse to outside bodies to enrich the thought process of these groups.

3.4 Assessment of programme transferability

Two elements seem particularly worthy of note in this training system: the preparatory study of work methods and the desire to involve managerial staff as training instructors.

In France, the content of continuing training courses is often developed outside the company, by an external consultant. Thus, trainees often complain of the gap that exists between this teaching content and the real content of their jobs: the teaching does not correspond to their needs; it offers them nothing that can be used directly in the workplace. Here, in order to avoid this trap, those in charge of the training department set up a system that keeps the development of training within the company. Training is developed by, and for, those who perform the

job concerned, with outside assistance solely on the level of educational techniques. This approach is thoroughly original and seems very positive in view of the impact we have been able to observe on the "fruit and vegetables" sales staff. It is still true, however, as the unions point out, that these study groups would benefit from contacts with the outside world.

To want store managers to become the driving force behind a training system is one thing, but to set up a system that actually encourages this development is another. Indeed, to become a training instructor, managers need two essential characteristics. First, mastery of clearly defined and recognized work methods, and second, training as an instructor. In the case of the "fruit and vegetables" training, managers are given a whole array of work procedures that have been carefully elaborated and verified; this gives real substance to the training. They are also given teaching tools that are sufficiently precise for them to gradually assume their training function. Under these conditions, it is likely that on their return to their store, these managers will adopt a much more trainer-like stance towards their sales staff.

There is also a real link between the company's marketing strategy and the content of the training system. The company is in fact seeking to set itself apart through high-quality traditional sections. It seems to be introducing the appropriate training tools to this end. Such consistency between strategy and training is relatively rare in the sector in France.

3.5 Summary of key points

Given that the pilot section is the mainstay of the training system, both in terms of initial and more in-depth know-how, this could be deemed a global approach to training.

Training needs are analyzed by internal groups who think about work procedures and ways of disseminating them.

All types of staff undergo substantial training, which adds value to their job.

Personal needs are taken into account to the extent that there are modular units, which permits the training content to be adapted to the requirements and capacity of each trainee.

The company devotes an unusually high amount of expenditure to training (more than 4%).

Assessment is essentially self-evaluation by trainees, using a form elaborated for this purpose.

To offer a sales service

- I adopt a sales attitude:
  - I have very high personal, hygiene standards
  - I welcome the client warmly
  - I anticipate his/her needs
  - I inform, advise and invite the customer to taste the products
- I am a specialist for each client
  - Smile, eye contact, politeness

Our legendary service means attracting and keeping customers happy.

To manage my section properly

- Every day I use the sales record properly
- I list the products to be ordered
- I pass on the order that same day
- I work out the layout for the next day

A section specialist is also a good manager.

Fruit and vegetables section

Becoming an expert in the fruit and vegetables section is a sign of our commitment to:
Quality, freshness, choice, reception, service

To attend to the delivery of goods quickly

- I clear the reception areas
- I am ready to receive the merchandise
- I check the quantity delivered and the sound condition of the packaging
- I check the quality of the products:
  - how they look
  - how they feel
  - how they smell
  - perhaps how they taste.
- I store the goods away immediately
- I deal with any complaints

Good reception of goods means immediate checking and stocking

To adapt the stock conditions

- I check the perfect suitability of the warehousing areas
- I check the temperature of the cold room (+ 8 C)
- I check the ripeness of the goods and the sell-by dates
- I adhere to the stocking principles: first in, first out (depending on the ripeness of the products)
- I store the products by family
- I keep low stocks of fragile goods
- I never dispose of products in the vicinity of ventilation shafts or heating shafts. I automatically switch off the lights. I close the doors properly.
- Good stocks are the right amount of stocks to guarantee absolute freshness.

To ensure a specialist section

On opening
- I work in a clean, fully-stocked and informative section
  - I always begin the day with fresh products
  - I offer a full range of seasonal products

During the day
- I keep it looking attractive throughout the day
  - I check the quality of the products
  - I undertake sales activities if necessary

On closing
- I redo wrapping
  - I put the fragile goods in the cold room
  - I restock the shelves with other products
  - I prepare the products for the next morning

A specialist section is an attractive section from morning to evening.

CASE STUDY NO. 5

1. General description of the company

1.1 Activity

Company E is a commercial group whose main activity is the sale of shoes and clothing. The outlets are small, several hundred square metres, and usually situated in city centres or in outlying shopping centres. Although, in France and abroad, the company has some 2,300 stores representing a total turnover of FF8.7 billion in 1991. It employs 12,000 people.

Distribution of turnover by product type

Shoes	67%
Clothing	20%
Work/protective garments	13%

As the above figures show, shoes constitute the group's main activity, but the share of clothing has increased steadily since the beginning of the 1980s. Today this sector enjoys a privileged position in the development of the group, which hopes to chalk-up 50% of its turnover from this source by the end of the 1990s. The specialist sector is made up of two of the group's traditional sectors, safety shoes and work/protective clothing. While this is a relatively weak area of the group's activity, it is particularly efficient owing to a very strong market position. If fact, the group is the world leader in the safety shoe market.

The group's sales outlets are divided among specialized chains, each of which offers a range of products corresponding to a certain target clientele (top of the range, middle range, mass market, discount). Most of the stores are owned by the group and run by managers who work for the company. The franchise is only used where it helps to speed up the development of a store label and thus reach the necessary size very quickly. This is primarily the case in the clothing sector because of the group's determination to expand in this market. After each stage of development, the group reverts to its policy of direct control of stores and buys back the franchises. The group also has twelve factories, mainly for shoes and working garments. In the shoe area, production itself (2.8 million pairs a year) plays an almost negligible role in relation to the sales volume (39.6 pairs), but it still remains very important on the strategic level because it adds a very important element of flexibility. For the top and middle-of-the-range models, the factories have very sophisticated equipment that allows them to produce all models sold very rapidly and thus to replace a model that unexpectedly goes out of stock without delay. The shoe chains can also make full-scale trial runs by manufacturing a small quantity to begin with and then adjusting production to actual store sales. In the specialist equipment sector, 95% of the shoes and clothing sold by the group are manufactured in its factories (3.3 million pairs of safety shoes per year and 3.1 million items of clothing).

The group is also developing abroad via partnership agreements with well-established companies. This move is directed especially towards Germany, the United Kingdom and South-east Asia. The partnership allows the group to develop ideas in these countries that have been tried and tested in France, but it also permits it to import concepts that work abroad, as was the case, for example, with the sports shoes or discount chains.

1.2 History

The company was founded in 1896 in the Nancy region. It began with shoe manufacture, then bought two stores in Paris. Its development was based on two principles: selling quality products at reasonable prices for the middle range bracket, and having stores located on the best city centre sites. Initially, growth was slow, because the sites were expensive and hard to come by. By the 1950s, the company owned about 160 well-located stores, which represented significant capital assets. The company philosophy was based on the fact that the store managers came from the sales staff and were, thus, very loyal.

With the 1960s, and the appearance of hypermarkets and shopping centres, the company decided to expand and increase its sales outlets. It created other store labels for the "top-of-the-range" slot and established itself abroad (Germany). In 1980 it had a total of 500 stores, including 100 in West Germany. The 1980s saw a very rapid expansion, both internally, through the creation of new discount chains, and externally, through the takeover of several brands, including the world leader in safety shoes. It was also at this point that the company changed its scale of operation through diversification: it bought out clothing store chains and moved beyond the shoe market.

Growth in turnover 1970-1980 (billion FF)

1986	4.5
1987	4.7
1988	5.7
1989	6.5
1990	7.6
1991	8.7

This commercial autonomy allows each chain to shape itself, particularly since when stores are taken over, the group leaves the executives in place in order to preserve and strengthen the image.

Another key element in the group's strategy consists in removing from the chain's responsibility all management operations and in particular, computers, logistics and administration. In fact, the group draws part of its commercial strength from the economies of scale that it achieves in centralizing all these management operations. The computer set-up is developed for all the chains, and a single system links all the stores in the group. Each store is equipped with a sales outlet terminal that records all sales and management operations. In a shoe store, for example, the terminal serves as a cash register; the manager uses it to record deliveries and markdowns and it also monitors staff hours. All these data are collated in the central system, and each department uses them for the different management tasks. Restocking becomes automatic: the computer automatically places an order according to the articles sold in each store, and this can only be altered by the product head.

Table 1 – Organizational chart for a chain

The logistics organization is also centralized for all the groups. The group's 12 warehouses in France handle all products, and deliveries cover the stores by geographical area rather than by store label.

The stores

The stores are all small (less than 500 square metres), but turnover ranges from FF 2 million a year to more than FF 40 million. A medium-sized store has an annual turnover of FF 4 to 5 million and employs one manager and 3 to 5 saleswomen including 2 to 3 on a part-time basis.

The role of the store manager, regardless of which chain is involved, is to sell the products, to direct the sales force (recruitment, training, motivation) and to present the products in the store (window displays, shelves). In terms of management, he inputs information to the sales terminal on all operations taking place in the store within the framework of his activity and monitors merchandise flows in the storerooms (i.e. the manager does not place orders).

2. Main features of training policy

2.1 Human resources management

Given the two main lines of the group's strategy (powerful chain sales concepts and a strong rationalization of management operations at group level), managers must be well integrated into both their store label and the group. It is with this double concern that the group's human resources department (HRD) is seeking to develop training and internal promotion.

In order to guarantee strong coherence between the concept of the store label and human resources management, each chain manages its own human resources independently. A central HRD for the store label takes care of recruitment of managers, training and career follow-up, with each HRD charged with translating the chain's sales concepts into principles of human resources management (recruitment level of managers, training content, level and form of remuneration, etc.)

In turn, the group's HRD is expected to provide a certain coherence to the activities of the chains' HRD and monitor the integration of the managers into the group and, more particularly, their management principles.

On the basis of these principles of action, human resources management develops along two main lines: recruitment and initial training of new recruits, and internal promotion.

The store used to obtain its management candidates/recruits via the apprenticeship centres. Many stores employed apprentice sales persons who were preparing to sit their certificate of vocational aptitude (CAP). On completion of their course, they remained sales persons for a certain time before promotion to the post of manager. Today, many executives in the group and the chains have come via the apprenticeship programme. Through apprenticeship there was a strong link between the posts of salesperson and manager, and this continuity provided the basis for company philosophy and the internal promotion system. But at present, because of the downgrading of apprenticeship, this traditional source of manpower has virtually disappeared. Under these conditions, the company is obliged to recruit its employees by categories, linking the level of initial training to the post filled and thus creating a discontinuity between posts. There are currently three levels of recruitment:

• *Salesperson*

No level of general or vocational training is required. Recruitment is carried out via advertisements in the stores and cooptation. The salespersons (most often saleswomen) are recruited directly by store managers, who also provide them with on-the-job training. Although the company employs a strong core of good salespersons, the main difficulty with young recruits stems from their instability. Turnover is rather high, especially in the Paris area. Many young people are without training and enter the retail sector without any real enthusiasm. They are often put off by the hours (working Saturdays) and the low rates of pay, and the effects of part-time contracts (60% of the salespersons are on part-time contracts). It is thus often difficult to secure their loyalty and encourage their development.

• *Managers*
Against this background, the chains recruit young people with a view to them becoming managers after an initial training period. These are young people whose educational qualifications range from the baccalaureat to the "Bac +2" (two years of post-baccalaureat study), with work experience if possible. Training is carried out on an alternance basis by a store instructor and the training centre. Managers can subsequently move on to increasingly large stores, and then possibly to the regional divisions of the chain, the sales departments or warehouses of the group.
The main problem for the managers, especially as most of them are women, is that of geographical mobility. Since the chains are established throughout the country, they require managers to be fully mobile and, to this end, offer company housing. The chains often prefer to employ manager couples in order to overcome this difficulty.

• *Sales directors*
The chains also recruit young graduates at Bac+4 level for administrative posts in their sales departments. For one year, these young people receive manager training that is both theoretical (at the training centre) and practical (on-the-job in a store "school").
Given the progressive decline in apprenticeship on the one hand and the sharp increase in the number of stores opened during the 1980s on the other, the group has had to break down its external recruitment into several levels. It is now hoping, however, to return to a period of consolidation, during which it would like to resume internal promotion. For this reason, it is paying close attention to the government's recent initiatives designed to stimulate alternance training, whether at the level of the CAP, the professional baccalaureat or the advanced technician's diploma (BTS). Alternance training is an effective means of providing managers with a broad sales experience.
Despite the segmentation of recruitment, the group still shows a desire to integrate its employees, as manifested by the recruitment of young people for subsequent training. There is effectively no recruitment of experienced managers from outside the company.

2.2 General description of the training system

As we have just seen, the group develops its human resources management activities around the recruitment and initial training of young people. The training system has thus been constructed to provide solid vocational training to new recruits, especially salespersons and managers.

• *Initial training of salespeople*
The managers recruit their salespeople directly, and training then takes place in the workplace over a period of about one year. In order to standardize this training and assist managers in their training tasks, each chain prepares a "Sales Methods" manual of about a hundred pages including:
- a training schedule specifying the topics that are to be studied on a weekly basis;
- a list of topics and main points to memorize;
- technical information sheets on work procedures and methods (detailed sales techniques, customer relations, fitting-room techniques, information on manufacturing processes, product care, store conduct, dress rules, etc.).

• *Initial training of managers*
Managers are recruited by the HRD of each chain and then receive one year's training. This takes place both in a store "school" and at the group's training centre. We shall return to the operation and content of this training in greater detail at the end of the study.

• *Continuing training of managers*
This training does not follow a predefined programme but reacts to the needs perceived by chain executives. Training courses are organized from time to time at the training centre in order to transmit information to managers. This may be the presentation of a new window designing technique or training in the use of a new sales outlet terminal, etc. The group's training centre plays a key role in the organization and development of these courses. As an example we shall look at training in the use of new sales outlet terminals.
When a new sales outlet terminal (TPV PS) is introduced into the stores, the group's management set out to train all the managers in its use. This training includes a one-day theoretical session in the training room and a three-day practical section in the manager's store. An instructor goes to the store during the first three days after the equipment has been installed.
The sessions at the training centre were for ten people, under the responsiblity of a permanent trainer and an instructor. The session took place in a specially equipped room with eleven functioning TPV PSs. The day was organized as follows:
- general introduction to training,
- explanation of importance of equipment and its correct use,
- explanation of user's guide,
- practical hands-on exercises with instructor providing individual assistance,
- carrying out of all the store's daily operations,
- demonstration of use of terminal's "guide" function,
- distribution of user's guide to each trainee.

During the ten days following training, the new equipment was installed in the stores from which the trainees came and an instructor assisted them for three days.

• *Organization and functioning of training centre*
As we have just seen, the group's training centre plays an important role in the development and organization of training courses. It is thus important to understand how it, in turn, functions.
Originally, the training centre was set up for the training of shoe store managers. In the context of internal promotion, the promoted sales persons came to the training centre to extend their knowledge. The centre was, therefore, involved in the recruitment (or identification) of new managers and their initial training. For financial reasons, the centre was transformed into a non-profit organization (Act of 1901) during the 1980s, which in particular

allows it to sign training contracts with the various group companies.
With the development and very rapid diversification of the group in the 1980s, the training centre was increasingly called upon by new chains to provide them with trained managers. Given the growing number of stores opened by each of the chains, the training centre slowly transformed itself into a centre for the recruitment and training of managers for the different store labels. After a training audit, and given the group's commitment to a strong commercial identity for each chain, it was decided that each chain should assume responsibility for recruiting and training its own managers.
Since then, the training centre has resumed the role of a service provider that offers all the chains specialized instructors, educational counselling and fully equipped training sites. It also directly organizes inter-group training courses for the chains. Its funding is guaranteed by the training agreements signed with the chains each time a training course is organized by the centre. Outstanding costs at the end of the year are covered by contributions from the chains in line with their use of the centre during that year.
Today, the training centre employs five people, including three permanent instructors, one director and her assistant. In 1991 it organized 199 training sessions: 3,603 days for 1,663 people. The centre seeks to limit the number of permanent instructors as much as possible and seek temporary instructors who come from within the chains, in order to maintain a light structure that is not removed from day-to-day operations. For similar reasons, the centre organizes summer breaks during which the permanent instructors stand-in at the stores. In addition, the content of the training course teaching is reviewed annually by the departments involved.
Apart from initial training of managers, the training centre is involved in several other areas. It organizes management training courses for all non-manager executives (facilitation, communication, training). It also helps to run an inter-company management club that organizes training courses for group executives (management, strategy, international policies). Specific training courses (languages, computers, accounting) are subcontracted outside the company.

3. In-depth study of initial training for managers

3.1 General structure of training

Although each chain determines the content of the initial training of its managers, the group insists that each one follow the same general structure in order to maintain overall coherence. Thus training lasts one year, 80% of which is undertaken in the store with a tutor-manager and the remaining 20% at the training centre.

Training in the store
The trainees begin with a three-month sales course during which they learn, with the tutor-manager's help, the content of the chain's "Sales Method". This is the same one as used for salespersons. In the field, the trainees undertake the job of salesperson.
The manager-instructors comprise a particular category of managers selected for their experience and teaching skills and they are specially trained. In principle, the trainees attend this sales course in two stores, one in a city centre and the other in an outlying shopping centre.
After their sales course, they go over the different aspects of the store with their tutor-manager:
- directing a sales team,
- preparing a store window,
- store appearance,
- check-out operation,
- stock management,
- administrative management, etc.

In principle, all these topics are examined after they have already been studied in depth at the training centre. Returning to the store, the trainee applies what he or she has learned under the supervision of the tutor-manager. The trainee then gradually assumes the responsibility of manager, first as a replacement and then in a small store.
A chain should have about 20 instructor-managers for annual classes of twelve manager-trainees. During their instruction, the trainees are not paid by the store "School" but by the management of the chain. An executive from the chain's HRD monitors the trainees' progress and their courses.

Training at the centre
One of the most original features of the group arises from the duality of a strong sales concept for the store label and very centralized management at group level. When training was reorganized in 1990, it was decided to divide training at the centre into two parts: commercial for the store label and managerial for the group.
- Chain training

As we have seen, each chain develops and organizes training courses in the classroom for its own trainees. In general, courses are still organized at the training centre, but they are conducted by instructors from within the chain, with educational assistance from the centre's permanent instructors. These courses are very much oriented towards sales and are, as we shall see, very practical.
We are now going to present the content of certain courses organized by a city centre shoe chain (middle-of-the-range).
- Training course in window display

This is a three-day course, organized at the training centre and conducted by a specialized permanent instructor. A room is specially equipped with display shelves, shoes and store windows.

Day 1: trainees are made aware of the importance of the window to make passers-by stop in front of the store and then attract them inside. They are also given different techniques for preparing the window.
Day 2: they work with the different demonstration materials and become familiar with the various preparation techniques by applying them with the advice of the instructor, who circulates among the trainees.
Day 3: trainees work on overall window display – colour harmonies, general arrangement – by setting up mock displays.

• Training course in store lay-out
This is also a three-day course organized at the training centre, but this time it is conducted by an instructor from the chain. A room is also specially set up for this training.

Day 1: the trainees are made aware of the importance of a store lay-out to guide the customer's path throught the aisles. The instructor also presents different arrangement techniques depending on the store characteristics.
Day 2: trainees set up a lay-out themselves with the help of metal store models and mini magnetic shoes. They work in groups, and the instructor comments on each of the creations in terms of the principles developed the day before.
Day 3: trainees create a mock display with shoe boxes and empty display shelves.

• Group training
These training courses involve all the chains and all the management trainees. They are systematically organized at the training centre by permanent instructors. They deal with store management, computers, logistics, personnel management, etc.

Administrative management and operation of the cash register (2 days)
• cash handling
• issuing of invoices
• payments on account
• payment of wages to sales staff
• closing operations at the end of the day

Inventory (2 days)
Preparation of wages (2 days)
• calculating hours worked by salespeople
• recruitment contract
Stock management (2 days)
• receiving deliveries
• changing prices
• customer exchanges
• transfer of merchandise between stores
• returns to the warehouse
Store signs (2 days)
• drawing numbers for promotional signs
• drawing letters

3.2 Assessment of programme transferability

We have noted the high degree of coherence between group strategy and the organization of the training system. In fact, the group is characterized by an organization that leaves a large degree of autonomy to the chains with regard to their commercial management but which also centralizes management and administration for the purposes of economies of scale. Given the group's strong growth in recent years, it appears that this double strategic choice of reinforcing the commercial concept and reducing operation costs is an element of transferability in itself.
With regard to training, it has been seen that its structure is in harmony with the general organization of the company. The initial training of managers is effectively divided into two parts: the store label part with essentially commercial instruction, and the group part with management instruction. From the outset, young people are thus trained in the logic of the group strategy. Such coherence between training system and company strategy seems quite remarkable to us.
We are also struck by the very practical nature of the instruction provided. In each training course, there is a clear desire to directly involve trainees in the tasks they have been taught. To this end, rooms are specially equipped and two-thirds of the training courses are devoted to full-scale application exercises. This concern with staying as close as possible to the reality of work and not segregating to provide very general instruction seems to provide real, concrete assistance to young people. This helps to avoid the very frequent trap of the gap between content of training and that of the job performed. Under these circumstances, trainees cannot feel that they are wasting their time. However, such instruction obviously implies that the company has already thought about the work procedures and methods to be disseminated.

3.3 Summary of key points

Training of shop managers is at the heart of the system and everyone learns about the procedures used in a store. Hence, this could be deemed a global approach to training.
Assessment of skill needs is undertaken to the extent that chain managers think about standard procedures and how to teach them.
All groups of staff undergo some form of training, including salespersons who are trained over a period of several months in "Sales Methods".
Individual needs of trainees are not taken into account in the training programmes, the goal being to standardize knowledge and practices.
Training expenditure varies from chain to chain, but it often exceeds 4 %.
There is no real assessment of know-how acquired, but the practical use of the skills acquired on the job may be seen as a form of assessment.

CASE STUDY NO. 6

2.

1. General description of the company

1.1 Activity

Company F operates 61 hypermarkets, mainly dealing in food products, throughout the country. It belongs to one of the main French retailing groups, which runs a very diversified combination of food outlets, from small neighbourhood stores to hypermarkets measuring 11,000 square meters, both in France and abroad. The group's turnover in 1991 totalled FF 110.8 billion, including FF 72.6 billion in France and FF 48.2 billion abroad. It is involved in four different kinds of trade:

- High volume discount sales, mainly of food products, through hypermarkets (France, Italy, Spain, Portugal, Greece, Germany) as well as supermarkets (France) and mini-discount stores (Spain);
- Neighbourhood food stores (France);
- Superstores and combination stores (United States);
- Food supplies to restaurants and other mass catering institutions (France)

The group's growth strategy is based on two principles of development:

- the direct operation of stores
- partnerships with independent companies through franchises (France) or capital sharing (abroad), where the group oversees basic operations such as marketing, purchasing and logistics.

Share of turnover by store label in France (1991)

Hypermarket	35%
Supermarket	35%
Neighbourhood store	20%
Mass catering	6%
Trade	4%

Number of stores by store label in France (1991)

Store type	Number
Hypermarket	61
Supermarket	446
Mini-market	926
Neighbourhood store	949
Mass catering	107

Approx. 90% of company F's hypermarkets are directly owned and the remaining 10% are franchised. Its turnover in 1991 was FF 25.4 billion. The stores range in size from 5,000 to 11,000 square metres and offer a very varied selection of mainly food products. These are non-speciality stores with a strong discount orientation.

1.2 Structure

As the company's organizational chart shows, a central structure is responsible for the main aspects of commercial policy. The marketing department determines the stock selections (including private labels), sets pricing policy, organizes the advertising campaigns and public relations and defines a standard shelf display. Its instructions are then transmitted to the stores for implementation and adaptation to their particular clientele.

Two central purchasing departments, one for food products and one for non-food products, negotiate purchasing contracts with suppliers. Each store must offer the customers a basic selection; the larger stores then have the option of selecting additional products from a list proposed by the purchasing group. Direct purchases by the stores are in the process of being phased out: today, over 95% of the goods they sell are negotiated by the purchasing groups.

Warehouses receive merchandise from the suppliers and distribute it directly to the stores. This system permits economies of scale and reduces the number of deliveries received by the stores. Trucks coming from the warehouse group together all the merchandise ordered by a section or department, thus reducing daily deliveries from several dozen, as was previously the case, to three or four.

In order to link these decision-making bodies with the stores, a system of "working groups" has been introduced. Each of the four regions has a regional working group that includes all the department heads of a sector and a store manager. Thus there is a check-out group, a clothing group, a grocery group, etc. Each department head then liaises with the section heads from his store, and the store manager, with his fellow managers. There are also national working groups that include one department head and the store manager from each of the regional groups, plus one or more technical service representatives from head office. A clothing purchase group, for example, would include the buyer and product supervisor (marketing). In total, there are about thirty of these working groups.

Store organization

As can be seen from the organization chart, the store is divided into five sales departments (grocery, fresh products, clothing, light and heavy household goods). The technical service departments generally include maintenance, security, accounting, interior decoration and personnel. We shall come back to the role of the stores' personnel departments and their links with the central personnel office below (Table 1).

1.3 Human resources

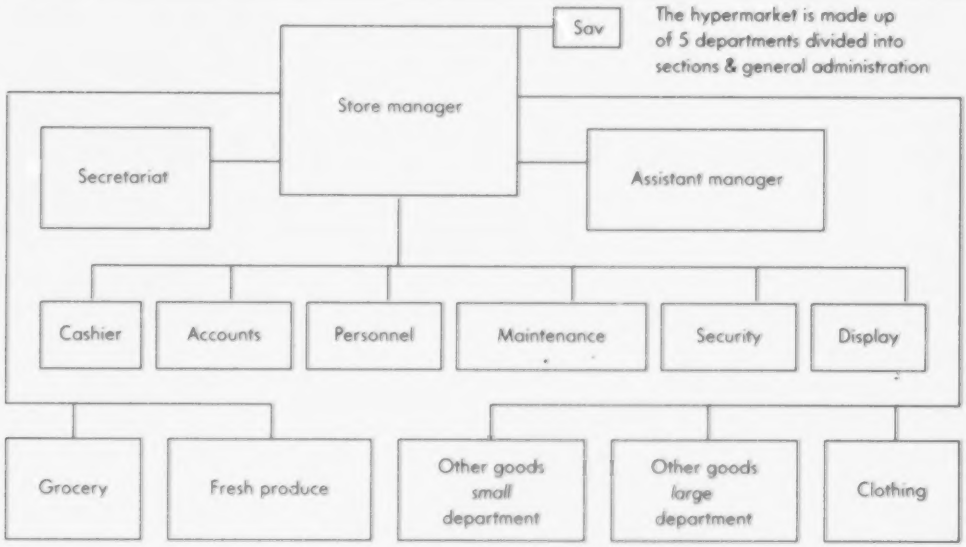
In 1991, the group employed a total of 20,000 people in its central administration and the stores under direct ownership, in France and abroad. This number can by broken down by activity as follows:

Distribution of group's workforce

Hypermarkets	55.0%
Supermarkets	11.3%
Logistics	23.6%
Mass catering	6.5%
Head office	2.5%
Other	1.1%

2.

Table 1 – Organizational structure



- Dry groceries
- Beverages
- Cleaning materials
  Perfumery
  Hygiene

- Meat
- Traditional meat
- Fish
- Restaurant/ snack bar
- Dairy products delicatessen
- Fruit and vegetables
- Bakery
  Patisserie

- Hardware
- Household cleaning
- Books, paper, records
- Toys – leisure, travel
- Home equipment
- Gardening

- Photographic, cine cameras
- TV, HiFi
- Lighting
- Large household electrical appliances
- Computers

- Boutique Baby/ Childrenswear
- Ladieswear
- Menswear
- Shoes
- Linen

While the hypermarkets generate only 35% of the turnover, they represent 55% of the workforce. This imbalance does not stem from poor productivity on their part, but from the fact that 90% of them are directly operated, as opposed to only 33% of the supermarkets. This means that while the workforce of the franchised supermarkets is not integrated with that of the company, their turnover is, in so far as the merchandise passes through the company's warehouses.

In 1990, company F had 9,181 employees distributed among the different categories as follows:

Distribution of personnel by status

Manager	5.2%
Supervisor	10.9%
Junior staff	83.9%

As can be seen from this diagram, employees make up 83% of the company's work force, as opposed to only 5% for managers. This is clearly an activity in which junior staff is very important.

Distribution of personnel by gender and status

Category	Men	Women
Manager	379	98
Supervisor	660	341
Junior staff	2,550	5,101

While there are twice as many women as men at junior staff level, there are only half as many at supervisory level, and they constitute only 20% of management. This imbalance seems to us to reflect the disappearance of internal promotion, or an extreme selectiveness where women are concerned (a woman employee has ten times less chance of becoming a manager than her male counterpart); if there was continuity in the internal labour market, there would be the same proportion of women at each level.

Distribution of labour force by age group

Under 25	27.9%
25-30	23.9%
30-35	14.5%
35-40	10.5%
40-45	7.4%
Over 45	15.8%

The above figures show that 56% of the workforce is under 30, this indicates that the stores employ particularly young personnel. This is confirmed by the fact that 71% of the employees hired in 1990 were under 25. If the total number of new recruits in 1990 (6,953) is compared to the total number of staff in the company (7,651), the labour force is seen to be very unstable, given a turnover rate of 90% in one year.
It can be concluded, therefore, that the workforce of this company resembles those of other companies in the sector: it is young, mainly female, not very skilled and unstable.

2. Main features of training policy

2.1 Human resources management

In the company programme, management defines its goals not only in terms of sales outlets, but also in terms of human resources management. In fact, the company anticipates a sharp rise in the number of these outlets, an increase in productivity to ensure its profitability and an improvement in the quality of customer services. If human resources management is to enable the company to reach its goals, it must be able to provide personnel in sufficient numbers to match the growth of the number of stores, to provide a more competent workforce that will ensure the quality of customer service, and to encourage a motivated workforce that seeks to improve its performance.
The human resources department (HRD) relies on three methods to achieve these goals: training, forward career management and staff profit-sharing. The personnel departments in each store provide support for the HRD by implementing these programmes. Under the supervision of the store managers, these departments are responsible for the recruitment and administrative management of staff. Together with the training system, the HRD has set up a system of twice-yearly assessment interviews during which each supervisor or manager discusses his/her performance and development with his/her superior and training needs are defined. Written reports of these interviews are then forwarded to the HRD.

2.2 General description of the training system

The head office's training department, which is part of the HRD, has three directors: one for training, one for training centres and one for alternance courses. In each region, a head of recruitment and training analyzes training needs and participates in the regional training network. In 1991, the company devoted 2.5% of its payroll to staff training (compared to the 1992 statutory requirement of only 1.4%).

The old training system
The training system was previously organized along three lines:

- one-off training courses for adaptation to a work tool or to methods introduced by management in connection with a new technology or form of organization. In fact, the basic training for adaptation to a tool was provided when new stores were opened. Personnel were recruited six to eight weeks in advance in order to undergo an intensive training programme. This constituted a real training effort on the part of the company;
- training in traditional occupations. These courses were intended to train specialist workers for the meat, fish, bakery sections, etc. Given the growing difficulty in finding such skills on the labour market, the company created in-house training centres. These were in fact, located in the regular store sections, with the supervisor assuming the role of "tutor" for two or three full-time trainees;
- alternance courses for section heads. To deal with the growth of the company on the one hand and the decline of internal promotion on the other, a system of alternance courses was set up for short-term training of section heads. Young people with up to four years of post-baccalaureat studies were hired under a qualification contract and received one week of theoretical instruction every month, in a training centre, for a period of eight to nine months. There were about 160 trainees in each group.

Development of the new training system
Over the past few years, the HRD has devoted considerable effort to improving the efficiency and coherence of this system. Increased competition and the need to mobilize personnel around the sales objectives of the company plan meant increasing each staff member's professionalism and commitment to the aims of the company. But it was also necessary to keep the operational costs of the training system within the company's means.

Four constraints thus governed the development of the new system:

- ensuring that training content remained consistent with the goals of the company strategy;
- reaching the largest possible target group in order to improve the professionalism and commitment of each staff member;
- minimizing training costs;
- developing a training tool that could be readily adapted, broken down into modules and reproduced by supervisors and managers.

Against this background, a decision was taken to gradually set up a system of training networks. For each network there would be a national training centre and regional centres open to all the section and department heads. In fact, this amounted to extending the existing system of specialized training centres to all the sections of the store.
In the new system, each section head would receive training at the regional centre corresponding to his or her section. Each department head would receive this training in the national centre. To complement this specialized training, section and department heads would also receive accelerated training in the four other centres corresponding to the other store departments. The head of the grocery department, for example, would receive training at the national grocery training centre and then take short courses at the national centres for fresh products, light and heavy household goods and clothing. The training centres are located in departments and sections chosen on the basis of certain criteria. This kind of training, which is both vertical (in-depth knowledge

of a specialized field) and horizontal (mastery of the various aspects of a particular job) requires a flexible modular approach, since training content has to be adapted to every kind of trainee.
Junior staff are also involved in this system because every section head will be trained as an instructor and will subsequently have to train the workers in his or her section. Employees thus receive on-the-job training from their direct superiors. This means that there must be suitable didactic tools that can, first of all, be easily used by all the section heads, but also serve to motivate employees who have often had no success at school. Such tools cannot be conceived without serious study of the training content and the teaching methods used. The HRD believes it is important to set up such a system involving store managers since training will then become an integral part of personnel management. It should serve to upgrade section heads and require them to communicate with their team, thus providing an important source of group cohesion and motivation.
In order to ensure that operators' training needs are consistent with the goals of the company strategy, the content and organization of training courses are developed directly under the responsibility of the study groups involved. Thus, it is the national grocery study group, working with one member of executive management and the head of training in head office, who defines the content of grocery department training and chooses the pilot department.
Such an approach clearly presupposes a basic analysis of both training content and the didactic tools used to present it. This exercise is difficult because it runs contrary to the oral tradition in this sector. Through the study-group system, however, each section head is involved in the development of the training, which ensures that the content is well suited to the operators' training needs.
This programme was initiated four years ago with the creation of a training centre for fresh produce departments, and gradually each department has been added. The approach is relatively slow in so far as the analysis of training needs and content takes a great deal of time. It is then necessary to select the training centre and make sure that it adheres to the norms established by the study group with regard both to the organization of work and to the teaching abilities of those supervisors who become instructors.

The training centre as the driving force behind the new system
Compared with the old system, one-off training courses for adaptation to new techniques are tending to disappear as they are integrated into the content of the training in the pilot department. In this way, technical training courses become part of a coherent training content and lose their one-off and superficial character. Training courses in specific occupations are reinforced and extended to other sections. Alternance training for young section heads has now been shortened (four months instead of eight), and is supplemented by a period in the regional pilot department. Theoretical instruction, which is presented as two-day seminars at head office, cover topics such as:

- sales legislation
- sales policy of the store line
- functioning of the company
- operational balance sheet
- use of computer
- facilitation of staff teams, etc.

These seminars are facilitated by in-house managers, specialized in the area studied, and they follow a very detailed teaching guide. During the last two months of the programme, the trainees have to develop a special project on a subject chosen jointly with the department head (who is the trainee's immediate superior). The aim of this project is to get trainees to step back from their work and sum up the acquired knowledge. It culminates in a report that is presented orally before a panel of managers.
The training courses as a whole now fall within a uniform programme built around the pilot sections and departments, which serve as the central training point. This system also allows for great flexibility in training in so far as teaching content can be adapted on site to the needs of each trainee. The instructor has a certain number of units which can be used as needed. In this system there are no full-time instructors but rather, section and department heads who have been familiarized with training and teaching methods. Recourse to external training, which is more unwieldy and often less suited to the needs of employees, is limited. To ensure the flexibility of the system, training courses are based on two-day modules and trainees select a certain number according to their individual needs.

Training by apprenticeship
For some time, the company has been developing youth training by apprenticeship for young people in collaboration with the Apprenticeship Training Centres (CFA) run by the Ministry of Education. At the request of the employers' associations, several professional certificates have been created: the professional baccalaureat in commerce and services and the advanced technician's certificate (BTS) in commerce. These are both two-year courses combining theoretical instruction in school and practical training in the company. This system offers the company certain advantages: on the one hand, the trainee receives low wages and training expenses can be included in the required statutory minimum, and on the other, the programme serves to train a young person who will be able to enter the company immediately. At present, the company has 50 apprentices.

2.3 Funding by and participation of the social partners

One of the most original features of this company stems from the fact that its training expenses are administered by a Training Insurance Fund (Fonds d'Assurance Formation, or FAF) that has been set up by the group for all its companies and French subsidiaries. Each company pays the statutory minimum for training expenditure (1.4% of the payroll) into the FAF. Then, when training courses are held, the company calls on the FAF for reimbursement of expenditure (trainee wages, travel expenses, teaching costs). The FAF thus permits the group companies to benefit from the sharing of expenditure: if certain companies do not use their entire contribution it can be used by others.

The FAFs are jointly managed, with the same number of representatives for employer and employees, and a rotating president. In principle, this means that training expenses are also jointly managed. The example of this group is unique in France's food retailing sector, where FAFs are rarely used, since companies generally prefer to manage their training expenses themselves.
In practice, however, it would seem that the FAF's role is limited to the administrative control of the companies' training expenses. It pays what it is requested to pay, but does not take initiatives in terms of actually allocating training expenditure, since these decisions are made by the companies. Thus, even if the unions participate in the management of the FAF, they have no real influence on the allocation of funds. If the FAF permits the sharing of funds within the group, moreover, this is only effective when there are companies that do not utilize the whole of their contribution. Whilst this may have occurred in the past, it is no longer the case, since all the companies now exceed the required statutory minimum. As a result, the companies tend to view the FAF as an administrative intermediary that is cumbersome and costly to run, even if they recognize that it provides a focal point for the co-ordination of training policies within the group.
The unions agree to the purely administrative role of the fund. They also feel that it gives them an additional means of control over training expenditure. This control does not affect the company's training plan, since negotiation does not take place at that level, but rather the way that the plan is applied by store managers. The FAF can, for example, refuse to finance training that is contrary to the spirit of the plan or that has not been properly conducted. The FAF also ensures that stores include the staff committee's approval of the training plan and its implementation. If this approval is missing or incomplete, the application is returned to the store. The union also acts as a watchdog to ensure that the spirit of the training plan is respected by the training committee of the central staff council. This role will undoubtedly become more important with the development of training facilitated directly by store managers. Indeed, how can it be verified that the projected content and length of training are adhered to by the instructor? Only the opinions of the staff committee can provide viewpoints other than that of management. Thus the union encourages the staff committee to ensure that they closely monitor the follow-up to training.
In this company, the union recognizes that management is particularly receptive to proposals to the central staff committee from staff representatives. All the major decisions concerning training are discussed very openly. This was the case, in particular, for the training of check-out operators which we shall study in detail below. The unions had been requesting real check-out training for a long time, and they were involved in its development once management had agreed to it.

3. In-depth study of check-out operator training

3.1 General structure of training

After many comments from the central staff committee about the outmoded and inappropriate method of check-out operator training, management decided to address the problem. At the time, this training consisted essentially of two courses, one dealing with customer relations ("Smile, Hello, Good-bye, Thank-You") and the other with receipt of money. According to the union, these courses were no longer relevant in view of the gap between their content and the expectations of the check-out operators.
In September 1991, the national check-out study group decided to develop a training course to improve the operators' professionalism. This required a tool that was sufficiently flexible to be used:

- for initial training of new recruits when stores were first opened;
- for training of seasonal staff;
- for further training of existing staff.

The network decided that this flexibility could best be guaranteed through modular training, which would permit each check-out supervisor to use the different modules according to requirements. Six units were thus defined:

- knowledge of company,
- check-out techniques,
- customer relations,
- shoplifting,
- operation of the hypermarket,
- training of instructors.

Working groups were created to develop the content of each of these modules. These groups comprised check-out supervisors, who received occasional help from training specialists on the purely educational aspects. Each group first studied the check-out function, then determined the knowledge a check-out operator needs to fulfil this function satisfactorily. To determine these needs, study groups composed of check-out operators and supervisors were set up in the stores. The technical issues were dealt with in collaboration with outside specialists, in particular ergonomists for body movements.
These groups developed the appropriate teaching materials and presented their findings to the national check-out study group for approval. This training is due to receive final approval from company management in May 1992 and can then be implemented. It will thus have taken nine months to develop the six-unit programme. The modules are currently being tested in several stores, and unions and management both report that the operators appear to be satisfied with the training.
For the application of this programme, the check-out supervisors can either receive training as an instructor and conduct the modules themselves, with the help of an outside instructor during the first sessions, or turn to an outside instructor (who will obviously have to be paid).
The modules last two days. The teaching materials used are mainly slides, handouts and audio cassettes (for customer relations). Video was not selected because of its excessive cost and short life span: with changes in equipment and fashions, an audio-visual presentation quickly goes out of date, neces-

sitating the making of a new one. The teaching method is interactive, i.e. the instructor's role is to get the check-out operators to raise problems, analyze them and seek the solutions themselves. The instructor is equipped only with study guides and examples. At the end of the session, the group's findings are confirmed and applied. A very important module is the one on check-out techniques and body movements because the introduction of the bar-code scanner has led to shoulder and back problems. This module is therefore designed to teach check-out operators "correct" movements.
In future, each new check-out operator should be assigned to an experienced one who will be their "mentor" and help them assimilate the content of the different modules and quickly begin applying them. It is possible that "mentor" training will be instituted, which will require a new module.

3.2 Assessment of training

Educational assessment
One training programme that is subject to careful assessment by the company is that of junior section heads on qualification contracts. This takes place in two forms: at the end of each theoretical session, trainees have a multiple-choice test which is graded and, as indicated above, the final report on their special project is presented to a panel of managers. On the basis of these different assessments a decision is made as to whether or not the trainee's qualification contract becomes a permanent contract.

Sociological assessment
The HRD has set up this new training system over the past four years and it appears to have had positive effects on internal promotion. The HRD estimates that in departments where the training centre is already functioning (fruits and vegetables), vertical mobility is greater than in other departments. This applies to junior staff as well as to section and department heads. The internal promotion of employees, which had become very limited throughout the company, is gradually beginning to increase. It appears that the section or department heads who are most involved in training programmes, whether in the development of tools or as instructors, have made the most progress. Overall, then, this new approach to training has had a positive effect on internal mobility.
For the union, the main obstacle to internal promotion of employees is the current job classification system, which segregates jobs by defining each task. It thus hopes that the new classification currently being negotiated will provide the flexibility necessary for staff advancement. With regard to check-out operators, the problem with their advancement is more complicated because the career ladder is very short, and therefore straightforward promotion is very rare. Rather, almost by necessity, advancement takes place through an "exit" from check-out towards another department in the store, but the particular work of the check-out operator does not prepare for such a move. In view of the development of occupational diseases among long-term check-out operators, a means of advancement must be found. Versatility might be a solution, but for the moment this is not easily accepted, either by the cashiers themselves, by management or by stock-room staff.

The HRD considers that the development of apprenticeship has a very positive effect on the stores' management personnel. Indeed, in order to monitor the quality of training in the companies, the Ministry of Education imposes stringent norms for the supervision of apprentices and the training programme in the store. These norms are intended to avoid situations where apprentices are used simply as cheap labour and receive no real training. The store tutors are thus required to prepare a plan for the training period and follow it. This in turn means that they have to stand back from their job and analyze what they do. This "apprenticeship" in the role of tutor is quite beneficial for management personnel. The union points out that in retailing, certain chains orient teaching content to the company philosophy and their own techniques, at the expense of general knowledge about sales and staff management. This could eventually lead to a situation where the certificate would only be recognized in the company where it was issued and the holders would not have the freedom to move to a new company.
In general, the union believes that both management and junior staff have been taking a very different approach to training for several years. Before, training courses quite often involved only management personnel and very few junior staff. Now, real training efforts have been undertaken and there seems to be a genuine concern on the part of management for training courses to reflect staff needs. The fact that groups of staff are involved in the development of training modules is a significant example. The desire for managers to conduct training courses is inherently very positive, as long as they are well prepared for this new function and receptive to the idea of training. If not, the training courses may well suffer. Here too, the involvement of management personnel in the definition of training needs and the development of tools is certainly a good familiarization and training process. As for the junior staff, they were previously unaware of the complex nature of their tasks and only requested general training, showing little interest in technical training courses. Now they realize that they have a real occupation and that additional technical knowledge would give them more job confidence and enable them to be more efficient; this has made them more receptive to technical training courses.

3.3 Assessment of programme transferability

The way in which final users are participating in the development of training programmes seems particularly interesting to us. This is in fact an original application of the principle of "staff expression groups" set up in 1982 by the Auroux Acts. Quite often, for lack of real objectives, these groups have not functioned satisfactorily from either the management or staff point of view. However, here they appear to be an efficient way of involving users in the development of training modules and, equally, the management who are responsible for programme faciliation and implementation.
Attention should also be drawn to the involvement of management at each stage of the development and dissemination of training modules. With the working groups organization, all check-out heads

are required to contribute to the development of the modules. Some of them facilitate "expression groups" who assess training needs. The company's executives are, themselves, required to give their agreement to training contents. This means that they have to commit themselves to the programme and this makes them more receptive to training issues. Check-out heads are also encouraged to train their staff themselves. This strong management involvement seems to us to be an important contributory factor to the efficiency of the training programme. Nevertheless, it is clear that there is some concern about the possible risk that this direct management facilitation of training might reduce its actual content or that the actual training might be inadequate. Given this risk, it is interesting to observe the possible supervisory role of staff committees in the actual implementation of training programmes. Thanks to the reports prepared by these committees, both the company management and staff representatives can be informed of the real situation in the stores, by sources other than the hierarchy. Further more, the training fund is a tool for the distribution of training funds and gives real power to staff representatives (they can refuse payment) in case the plan is not implemented or if the training is unsatisfactory. In systems where training is decentralized for efficiency or cost reasons, it is important to set up ways to obtain a feedback of information; otherwise, central management may entirely lose control over the content of training modules. Obviously, information provided only through the hierarchy is insufficient in this respect, as it is at the same time judge and jury.

3.4 Summary of key points

Training centres are now at the heart of the training activities, for basic as well as more in-depth training. Hence, this can be deemed a global approach to training.

The analysis of skill needs is undertaken by working groups who analyze in great detail the job contents and the know-how required to carry on the corresponding tasks.

All levels of staff are involved in the training system, although the use of managers for the diffusion of training towards junior staff constitutes one of the major difficulties in the implementation of the programme.

The modular system should allow for some consideration of the needs of individual participants, as instructors can adapt their content.

The company spends 2.5% of its payroll on training; this is far more than the average.

A serious educational assessment is made of training for section heads. The company also undertakes an informal sociological assessment by monitoring the levels of internal promotion in the stores.

PART 3:

CONCLUSIONS

1. The selection of case studies
2. Objectives and development of training
3. Target groups
4. Content, organization, methods
5. Cost, funding and assessment

The following conclusions are based on both the overview of the sector (Part I) and the case studies (Part II). There is quite often a gap between the two, to the extent that the companies under consideration are usually more active and more advanced than the average. They can therefore indicate emerging trends or at least a possible development.
After a brief summary of these observations, these conclusions will address the objectives and the development of training, the target groups, the content, organization and methods, and finally the issues relating to cost, funding and assessment.

1. The selection of case studies

Case No. 1 concerns a large commercial group, selling mostly food items, which operates a variety of stores, as well as cafeterias. It provides a whole range of training programmes. The study focused on a new further training course for managers, aiming to broaden their general education, organized with the assistance of an advanced business school. The implementation at store level was not relevant in this case.
Case No. 2 refers to a regional group of independent store owners (hypermarkets, supermarkets, mini-markets). The study focused on the training programme organized by a new trade school for new recruits as potential supervisors and managers. This training should bring more homogeneity to the operation of the independent stores. Since this programme was new, its implementation could not be assessed.
Case No. 3 is a subsidiary of an international department store company. Attention centred on the training provided to all categories of staff, especially during a weekly half hour session when the stores open later.
Case No. 4 is a medium-sized regional supermarket company. It was selected because of the scale of its training efforts on behalf of the entire staff, in particular management.
Case No. 5 is a large commercial group whose main activity is the sale of shoes and clothing on an international level. It has a systematic approach to the organization of procedures and to training, especially of store managers.
Case No. 6 is a subsidiary of one of the major French commercial groups, which operates hypermarkets. The study focused on the joint management of training funds and on new training courses for check-out operators.
As highlighted above, this sample does not attempt to be statistically representative: small shops are not included and there is an over-representation of modern predominantly food business. But this is a rather appropriate reflection of the description outlined in Part I and of the important role of this type of retailing in France. It is probably not without relevance that no significant experience has been observed in small or medium-sized companies. Mail order companies were not included in the study given their special character and their comparatively limited relevance.
Nor is it by chance that observations focused more on the development of training programmes than on their implementation. This is a good illustration of recent trends in the development of training; we shall return to this point later.

2. Objectives and development of training

Training objectives and business strategies

According to earlier studies (CEREQ, 1990), training constituted a growing concern at least in their declarations of intent. But it was not quite clear whether intentions were to be translated into actual programmes. There were also some doubts on the real integration of training into business strategies. On the one hand, operational management appeared to be more concerned with short-term business constraints than with long-term investment in training. On the other hand, some questions could be raised as to whether there was consistency between clearly stated intentions to train, to motivate and to mobilize the staff and prevailing practices in human resources management, involving high mobility, job insecurity and frequent part-time employment. These practices are related to the negative image of retailing on the labour market and to the difficulties encountered by many companies in recruiting young skilled workers.
The field study offers a slightly different picture. Firstly, it confirms the existence of training plans in all companies (except the small ones), as the result of a statutory obligation. But such a document may be purely formal and does not necessarily imply a global approach to training (a rather subjective concept that leaves some room for interpretation). Observations, nevertheless, suggest that effective training mechanisms are based on coherence between company and training strategies. The latter is a means, or better a condition, for attaining the strategic objectives that the company has set for itself. In order for these objectives to be reached, it is essential for staff to be in harmony with them. The quality of work appears more and more important, particularly as a prerequisite for the quality of customer service.
Effective training presumes, therefore, that the company has defined its strategy and studied the means that must be implemented to achieve it. The reports show that this study has had positive results in some companies. These have mainly to do with the commercial position, the quality and nature of customer service and the efficiency of the organization (Case Nos. 3, 4, 5). Analysis of these elements sometimes goes hand in hand with the development of training, this stresses the alignment of overall business strategies with training objectives.
In the same way, it is interesting to note that in Case No. 2 training is used as one of the policy tools aiming at more homogeneity between the stores which remain independent within the group. Consistency between company goals and training objectives is also underlined in Case No. 6. In Case No. 3, one of the roles of training is to contribute to the spread of the corporate philosophy.

Concept

An earlier study (CEREQ 1990) reported that within retailing, it is common to call on outside specialists to develop and propose a catalogue of training activities, which the company can draw on according to its needs. The survey undertaken in the present study indicates a trend toward internalization of

development (definition of objectives and main lines of programmes), and even of training itself, and this follows on logically from the preceding observation concerning integration within the overall strategy. If training plays an essential part in this strategy, its development cannot be left to external agencies.

In several cases, this development is the product of study groups that bring together several types of partners representing various points of view within the company, mainly the "concept designers" (computer scientists, purchasers), the "users" (of computer technology, store personnel and managers) and management (mainly Case Nos. 2 and 6).

This approach contributes to the integration deemed to be necessary between reflection on the organization of work, procedures and training. A new organization will only be implemented if it goes hand in hand with the precise definition of procedures and if the staff involved has been prepared for it. Conversely, training only takes on meaning when it is connected to the reality of work.

Here, there is a partial answer to the question concerning the assessment of training needs: in such cases these needs, seen from the point of view of the companies, are analyzed in depth, at least from a qualitative point of view.

The concept of training is also based on the idea of coherence: it should constitute a whole, with defined steps, logic, follow-up. This moves away from the idea of the catalogue from which choices could be made on a one-off basis.

Coherence also implies a global approach to the different forms of training available, including government programmes and certificates/diplomas issued by the Ministry of Education. The companies that make special efforts in programme concepts are the same ones that draw on different mechanisms such as qualification contracts. It is only when this general framework is defined, and the relevant parties within the company have clearly identified needs and problems, that outside specialists can possibly be called in to take stock of the training concept.

Some union representatives take a different view of the problem of integration and the global approach. They underline the link between training, work organization and job classification. They want companies to recognize the additional skills acquired through training and to have this reflected in remuneration. They regret that work organization does not really "generate skills".

One trade union expressed the view that, for most companies, the training plan is limited to a list of activities. In most cases there is no indication of contents or priorities.

Staff participation

Trade unions and staff representatives are not involved in processes leading to the definition of objectives and to the development of training. This is what makes France different from some other European countries. This may be interpreted as a sign of weakness in the social dialogue, which is also illustrated by the fact that it was not always possible to meet staff representatives at company level (a gap which was partly filled by interviews with union representatives at national level). The shortage of qualified staff within the unions to discuss these issues has also been mentioned as a possible explanation for the inadequate nature of staff participation (including some of the unions themselves); this led to the idea of focusing more on the training of union representatives (Case No. 3).

While accepting this, one trade union stated that in any case the shortage of qualified staff is not the main reason for the lack of dialogue. According to the union, training as a strategic element is not an area which employers are willing to discuss, except in a superficial way. "The minutes of staff committee meetings show that this is information rather than a true consultation. Union proposals are rarely taken into account".

However, it should not be forgotten that French legislation provides for staff representatives to be informed through staff committees. It should also be stressed that this legislation specifies the joint management of training funds, as described in Part 1. Case No. 6 illustrates these provisions and discusses their potential and their limitations. It suggests that the existing institutional framework paves the way for a more active role for staff representatives, at least in the monitoring of training programmes.

3. Target groups

Information provided in Part 1, as well as in earlier studies, suggested that most of the training effort was devoted to management training. Taking into account the low skill level of a high proportion of staff in large-scale modern retailing, it can be estimated that, as a whole, they are not particularly involved in training. As the majority are women this means that they are often left on the fringes.

Here again, the survey suggests a more balanced picture. This is because the companies under review are operating under a different process. The development of comprehensive training integrated into the company's strategy implies that it affects all staff. This is true for several case studies (Nos. 3, 4 and 5).

This much said, the main targets for training are new recruits who must be integrated into the company's strategy, and accepted by supervisory and management staff. This is why some union representatives stress that, in some of the companies reviewed, junior staff still do not receive any continuing training. At the same time, they admit that the issue of training for this group is not a simple one and that the unions themselves do not make enough suggestions in this direction. The lack of ideas and initiatives might be challenged rather than companies' management, who might be willing to consider suggestions.

If one adheres to a narrow definition of continuing training, excluding anything which might be considered as an addition to initial training, it would affect only a small group and would represent a limited effort.

Much of the training effort is for middle management (section heads), who are an essential cog in the organization and management of human resources in large companies. The process entails specific complementary alternance training which is characteristic of the sector, especially of large companies. If it were taken as initial training, the observations meeting the strict definitions of the FORCE programme would be very limited.

Training all staff members means, particularly, training women who make up the majority.
The case studies also show the specific problem posed by the increase in part-time work. Several executives are conscious of this and are seeking solutions (which is not usually the case in the sector). These solutions consist primarily of repeating the training sessions at different times to facilitate the attendance of staff working specific hours (Case No. 3), organizing self-help training in special rooms, developing the training leaflets available to everyone and allocating training roles to managers and supervisors, who are able to adapt themselves to the hours of the staff.
In several companies under review, the expansion of training is not incompatible with the fact that managers and supervisors remain a privileged target group and benefit from most of the training effort. For the enterprises this is justified, among other things, by the new training responsibilities assigned to management. Some of the union leaders view this imbalance somewhat critically, all the more so since training programmes for managers contribute more to their individual development.

4. Content, organization, methods

Content

The link that has already been identified between work methods, procedures and training suggests that in several cases observed (Nos. 2, 3, 4 and 5) this is the heart of training.
This observation raises questions, however. On the one hand, the close link with job content is a motivation factor: those who are involved see the usefulness of training (while, by contrast, this is not the case for those who are offered general training). This kind of training can build confidence, permit an objective view of the work and stimulate curiosity to know more about it.
On the other hand, there is reason to believe that training oriented to the company's work methods and procedures may be overly narrow and specific. It may not be recognized by other companies and therefore would not contribute to job mobility or the personal development of staff (a concern expressed less by staff than by the unions).
Generally speaking, it may be said that continuing training activities are not targeted towards the individual needs of staff. As indicated earlier, they are usually focused on the objectives of enterprises. However, this is not necessarily incompatible, especially when training prepares for or accompanies promotion.
In Case No.1, programmes accompanying promotion, and especially the new programme including a broader general education for managers, include scope for individual improvement. It is also worth noting that (in Case Nos. 4 and 6), modular training units permit better adaptation to individual situations.
Another interesting approach consists of combining in-company practical training and the preparation of a certificate recognized by the Ministry of Education, guaranteeing some general training. Three case studies (Nos. 4, 5 and 6) move in this direction and document the renewed interest in apprenticeship in France. One of them (No. 2) offers a wider range of preparatory courses for advanced diplomas, including the new professional baccalaureat, especially designed for training middle-management.
However, most observations tend to confirm the overall indications given in Part I, which show that, up to now, companies were interested in initial education only for recruiting potential managers and for the level of general education that it brings with it. The case of retailing where the majority of staff have a rather low skill level[17], raises a general issue: what type of training is appropriate for them? Is a purely practical adaptation, on-the-job, really a form of training? Or is a formalized school education adapted to the situation? This leads to questions on the role which initial education and training can play in preparing people for tertiary jobs, especially when they require either very general or very specific company skills but few trade skills. The importance attached to specific company skills (corporate philosophy) probably explains to a large extent why company training may be seen as additional initial training. Thus the problem would not be the inadequacy of the training system .
With regard to organization, the trend toward internalizing training and involving managers and supervisors has already been noted; this is true of implementation as well as development. Managers and supervisors should be able to play a multiple role based on a method and training tools.
One trade union representative has however expressed some reservations with regard to internalization. He considers that, as a result of staff shortages, his company is too busy to devote any time to training. He is also concerned with the possibility that middle-management might constantly postpone training sessions or might skimp these because of the pressure of work. Employees have more freedom in training outside the workplace.
These observations confirm those which were made in the earlier study of large-scale food retailing (CEREQ, 1990).
A possible answer might be the laudable innovation consisting of opening the store later (Case No. 3) that allows for one-half hour of training every week. This is perhaps the best means of involving all the staff, motivating them and eliciting their reactions. Such a mechanism requires discipline and creativity on the part of management and, at the same time, its cost is limited.
Another response might be the monitoring of the implementation of training programmes by staff representatives, whose role might thus be enhanced. This is illustrated in Case No. 6.

[17] This view concerning low levels of qualification is strongly opposed by one of the trade unions which prefers to speak about unrecognized skills. "All our studies have, on the contrary, shown the existence of non-technical skills which need to be formalized. In order that the concept of training does not just remain at the discussion stage, there is a need for the management to establish the objectives of training at the same time as the commercial objectives by the section heads in order to increase their understanding of the need for staff to undergo practical training."

The predominance of alternance training must again be stressed. But this can only be effective if strictly organized and monitored. The following experiences may be cited:

- the existence of pilot departments serving as training sites (Case No. 4) permitting flexible training adapted to specific situations;
- on-the-job training should be precisely programmed (otherwise trainees may waste their time and come away disenchanted with the work experience);
- the creation of training manuals and memory aids that facilitate follow-up and help training instructors;
- the simulation of work situations in special rooms, which can be accompanied by the use of videos to help trainees in role-playing.

5. Cost, funding and assessment

Cost

The outline of the sector summarizes the wealth of data available in France on expenditure for continuing training as a result of the statutory obligation. It shows that, as a whole, the retail trade is spending a much smaller proportion of its payroll (1.9%) than the average, with marked differences depending on the size of companies (the smaller ones spend less than the larger).

It is debatable whether this low level of training is related to the specific skill structure of the sector or to the management style, which in turn is connected to employment conditions, the historical background and the managers' philosophy.

The field surveys present a more positive image. This is due to the fact that, in the companies under study, training plays a strategic role and is given a higher priority. It can also be explained by the extension of the target group: training the entire staff obviously costs more. This is why the range of percentage expenditure is between 2.4 and more than 4% of the payroll. Although only a limited importance can be attached to these figures as some companies do not include all their expenditure. (International comparisons bring with them difficult problems of comparability).

Funding and the role of the state

This raises the issue of financing and the contribution of the state. The first part of this study clearly shows that, in the French context, this contribution can be substantial and that a wide range of measures are offered to companies and their staff.

The survey illustrates the application of these measures, particularly the use of qualification contracts. It suggests that the role of the state can be important in encouraging, stimulating and supporting private initiatives. However, it is not enough to initiate interest for training when this does not exist amongst management. This indeed seems to be the case in most small companies which constitutes a considerable problem, particularly from a European perspective.

The observations indicate varying use of the Training Insurance Funds. Some companies prefer to maintain their independence, while others seek to draw on these resources. But the funds are above all perceived as administrative agencies responsible for redistributing financial resources.

Contractual commitments to developing training also raise some interest, but most of the companies studied had not made use of them either because they had not yet reached the stage where this could be finalized or because their actual level of expenditure had already reached a level they did not want to exceed.

In any case, the observations confirm the general data and information showing a growing investment in training. This leads to the question of results and the way in which training activities are assessed.

Assessment and its limitations

In general, this type of assessment is no more advanced in retailing than in other sectors. This can be explained to a large extent by the complexity of this exercise, which is further exacerbated by any attempts to set costs against benefits, both direct and indirect. Many of the programmes in the companies studied have only been introduced recently and have not yet been assessed.

There have been several cases of educational assessment, either by the trainees themselves (No. 4) or by the company (Nos. 3 and 6). However, no observation has been made of a more global attempt to assess the more indirect effects of training. Some trainees in companies also sit certificates of the Ministry of Education (No. 4). The efficiency of training may be tested when trainees return to work more or less immediately after training (most cases).

Final comments:

Diversity of situations and transferability of experiences

Part 1 emphasized some of the specific features of the retail sector: low level of skills and of training. It has also highlighted the diversity of retail structures: large self-service stores, department stores, small shops, specialized or not, unionized or not. It was underlined that these differences had important implications for the organization and management of companies, on the structure of occupations and skills and, by extension, on training needs. These needs differ greatly between independent shops and large companies and depending on the relative weight of intermediate skills, particularly in the sales area. In self-service retailing, the question of the type of training required for junior staff arises and is not often satisfactorily solved. In other types of commerce, emphasis is increasingly put on training sales staff.

The structural criterion appears to be the most important one, when attempting to define a typology of experiences and when discussing their transferability. The latter is clearly limited when moving from one kind of retail to another. However, a number of innovations (e.g. the weekly half hour of training, Case No. 6) alternance training or preparation for national certificates within the company, could easily be adapted to different commercial structures.

On the other hand, some interesting features of the French experience (funding of continuing training, joint management of training funds, qualification contracts and other state incentives, follow-up by staff representatives) are obviously linked to the institutional context and therefore need adaptation.

In any case, we believe that the usefulness of such a study lies not so much in examples of ready-made and directly transferable activities but rather in a thorough analysis of a variety of situations and responses. These are tools which will hopefully serve as inspiration, either for particular companies or institutions, or for consideration and discussion between social partners, at both national and European levels.

Prior studies and sources of information

A major source of information on employment and training in the retail sector is the work undertaken by CEREQ on large scale food distribution. It was completed in 1990 at the request of the employers' association (FEDIMAS) and of the Ministry of Labour, in order to identify future training needs. It was the first of a series of forecasts dealing with various sectors. The report was published by the Documentation française with the title: "Emploi, qualification et formation dans la grande distribution alimentaire"

Two issues of CEREQ's Review, "Formation Emploi", focused on employment, skills and training in retailing: No. 3, 1991 on France and No. 4, 1991 on other countries, from the comparative angle.

CEREQ has also published a "Dossier Formation et Emploi. Les emplois du commerce et de la vente", Paris 1986.

Several studies have been carried out on working conditions and, more particularly, on flexibility in supermarkets. The latest one is "La flexibilité du travail dans les hypermarchés" by F. Guélaud et al. LEST, Aix-en-Provence, 1989.

Statistical data and economic analyses are contained in the regular publications of INSEE:

- "Les entreprises du commerce en 1989 (dernière année). Résultats de l'enquête annuelle d'entreprise";
- "Les comptes du commerce en 1990 (dernière année)".

On the impact of new technologies: Le commerce dans la société informatisée. Report of the working group chaired by Ph. Lemoine, Institut du Commerce et de la Consommation, 1992.

CEDEFOP – European Centre for the Development of Vocational Training

Training in the retail trade in France
(FORCE programme)

Christophe Baret and Olivier Bertrand

Luxembourg: Office for Official Publications of the European Communities

1994 – 79 pp. – 21.0 x 29.7 cm

ISBN 92-826-8012-6

Price (excluding VAT) in Luxembourg: ECU 8

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HX-81-93-753-EN-C

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ISBN 92-826-8012-6

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